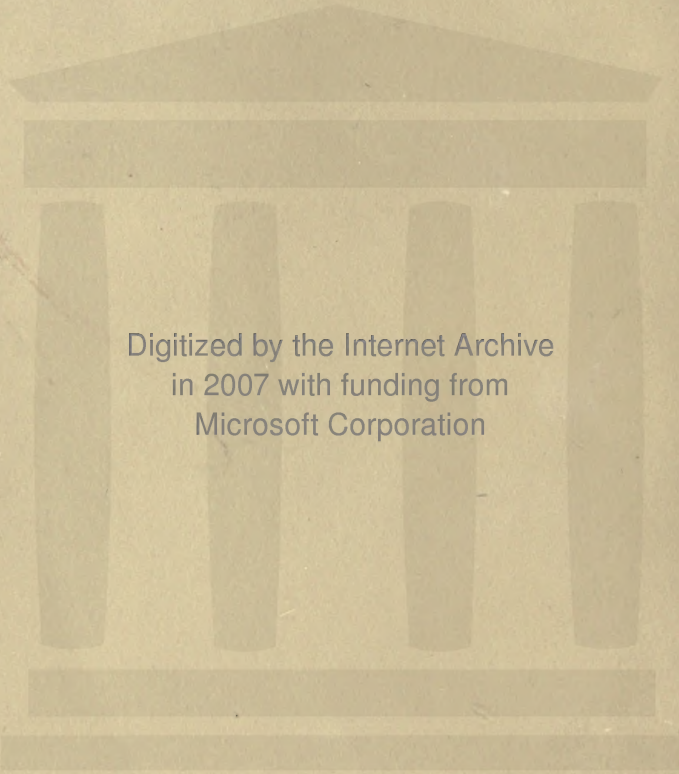


COSTS, METHODS, AND PRACTICES
OF ADVERTISING AND SALES
IN THE
RETAIL DISTRIBUTION OF CLOTHING

RENTS, WAGES AND
SALARIES



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Costs, Merchandising Practices, Advertising and Sales in the Retail Distribution of Clothing

BY

NORTHWESTERN UNIVERSITY SCHOOL OF COMMERCE
BUREAU OF BUSINESS RESEARCH
HORACE SECRIST, DIRECTOR

IN CO-OPERATION WITH THE
NATIONAL ASSOCIATION OF RETAIL CLOTHIERS

VOLUME II

EXPENSES AND EXPENSE RATIOS—RENT AND WAGES AND
SALARIES, 1919, 1918, AND 1914

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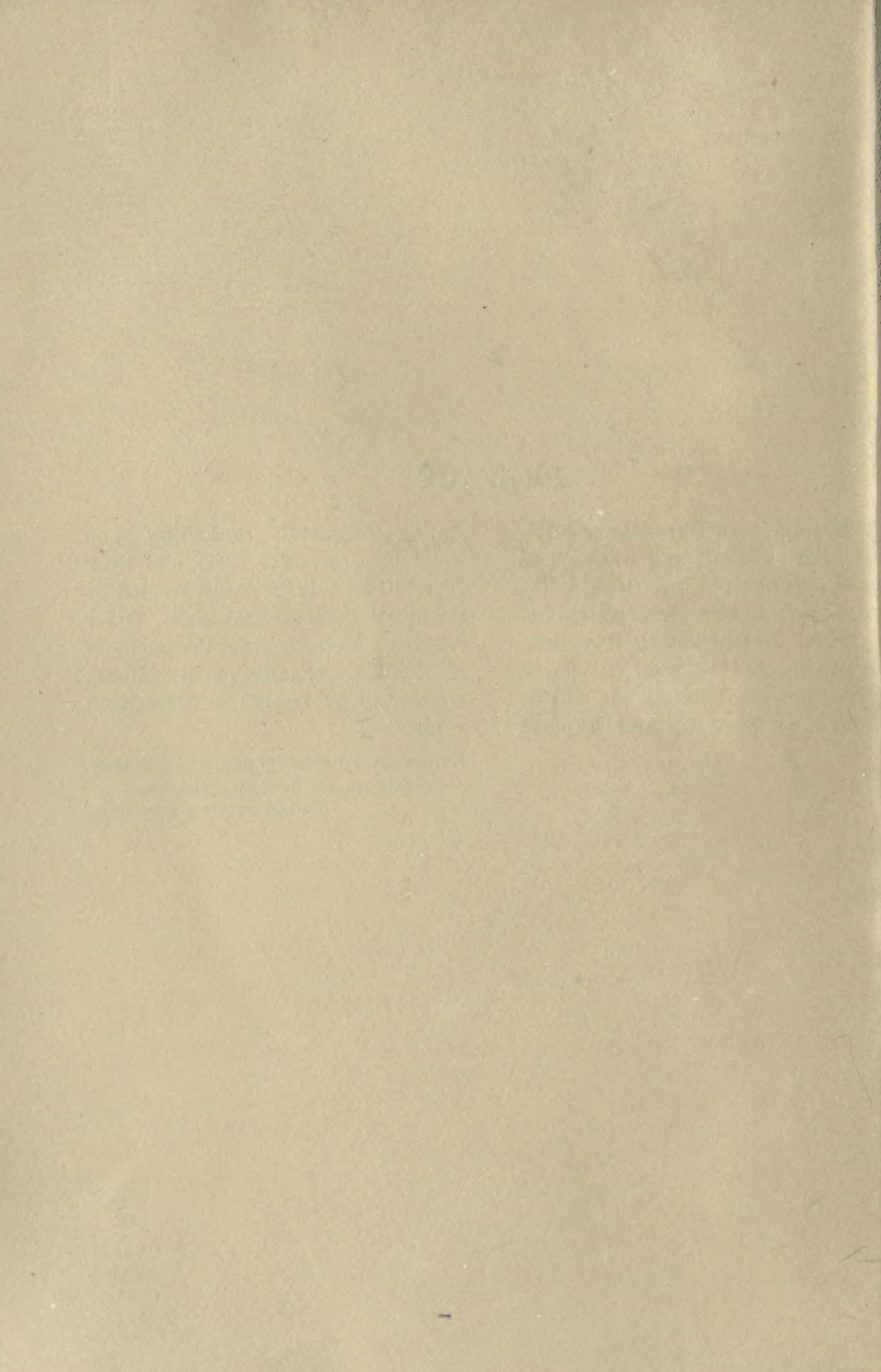
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PREFACE

This volume on Expenses and Expense Ratios—Rent and Wages and Salaries, 1919, 1918, and 1914, is the second part in the series of studies on Costs, Merchandising Practices, Advertising and Sales in the Retail Distribution of Clothing. It will be followed by Expenses and Expense

Ratios — General, Bushelling, and Total Expense, 1919, 1918, and 1914. Advertising will be fully treated in the fourth volume in the series. Other features characterizing the methods of retail merchandising in clothing stores will be treated in subsequent volumes.

Northwestern University School of Commerce,
Bureau of Business Research,
HORACE SECRIST, *Director*.



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I. INTRODUCTION

THE information on expenditures for rent and for wages and salaries was secured from the member stores of the National Association of Retail Clothiers by means of a detailed questionnaire, developed through a series of conferences with retail merchants, manufacturers of clothing, and with credit and other agencies, and adjusted to meet the conditions of accounting and expense distribution in stores of different size. To plan such a schedule was not an easy task and to fill it out in complete form was sometimes impossible even for the larger stores. Of course, the data secured are neither as complete nor as accurate as they would have been had a uniform system of accounting been in effect in all the different stores which furnished data, but they are reasonably satisfactory for the purposes for which they have been used.

The absence of uniform accounting methods does not make it impossible scientifically to study the expenses of stores and to develop expense ratios when the statistical method is employed, and when detailed schedules are used to secure the information. Those facts which fulfilled the conditions laid down were used, and those which were found not to be suitable were excluded.

When amounts of expenditures are reported in the minute detail provided for in the questionnaire, each

item constitutes an independent and uncombined unit which can be grouped with others of similar type as occasion demands and necessity warrants. When expenditures are reported as combined amounts, these can be compared with similar combinations, the details of which are unknown, but the nature of which is indicated. While the absence of uniform accounting methods makes the procedure of such a study as this somewhat different from that commonly used in studying expense distribution, it does not, it is believed, seriously detract from the value of the results obtained when expressed in the form herein used.

The data supplied were edited and scrutinized carefully, and the comparative figures which have been developed are undoubtedly significant and may be used with confidence as describing both the amounts of expenditures and the ratios which these bear to sales and other characteristic features in the retail trade. This study is not so much one of expense distribution as such, as it is a study of the statistical frequencies with which given relations between items of expense and the conditions determining them are encountered. Such a method of study develops the average, the common, and the extreme conditions and practices which obtain. It also develops certain underlying principles which express, and certain major tendencies which char-

acterize relations of expense items in stores of different size and operating conditions.

How fully provision is made for all expense items may be appreciated by consulting the entire questionnaire. To what degree the treatment of these details is justified, can only be determined by a careful reading of the report itself.

The reader should remember, in the study of this report, that the expense standards which are described are based upon comparisons between stores which are alike in the particular considered. Obviously, they may be different from other points of view. Each characteristic is isolated, so far as is possible, for every comparison. Accordingly, the number of stores used for the different com-

parisons varies, the actual instances employed always being determined by the fact that they fulfill the condition which is under consideration. This means that zero cases—those not suitable for a given use—are omitted. The data are net, rather than gross. The ratios for the different items of expense, moreover, should not be added together in the hope that they will equal 100 per cent. The varying number of stores makes this impossible. Desirable as such a procedure might be, the method of treating the data will not permit it. This result would have been purchased at too high a cost; viz., the elimination from consideration of a great number of stores simply because they did not furnish complete data on all expense items.

II. SUMMARY

THIS part of the report gives in bold outline some of the more important of the outstanding facts and conclusions concerning expenditures for rents and for wages and salaries in retail clothing stores. It is submitted largely for purposes of convenience and ready reference, and not as a substitute for the detailed part of the treatment which must be consulted by those who wish to get more than the barest outline of facts and the most general impression of the method of treatment and of the conclusions reached.

1.—YEARLY EXPENDITURES FOR RENT IN CLOTHING STORES, 1919, 1918, AND 1914.

The term "rent" as used herein refers to the net payment for the use for store purposes of both building and site. It does not include expenditures for light, heat, and power, nor for storage space within the store premises which is rented out. It includes, on the other hand, amounts paid for outside storage space.*

A.—Yearly Expenditures for Rent per \$100 of Total Net Sales.

The average yearly expenditure for rent per \$100 of total net sales is \$2.64. This is an average figure for all stores, for the years 1919, 1918,

and 1914, combined. In 1919, the corresponding amount was \$2.20; in 1918, \$2.89; and in 1914, \$3.57. Between 1914 and 1919, the amount decreased, therefore, by \$1.37 or 38.4 per cent.

The larger the store, when measured in terms of total net sales, the smaller the rent expenditures per \$100 of total net sales. This relationship holds for the individual years as well as for the combined three-year period, when tested by the experience of a varying number and by an identical group of stores.

Rents are not only higher per store in large than they are in small cities, but they are also higher per \$100 of total net sales. Moreover, this is not only true of stores of all sizes, combined, but also for stores of the same size.

B.—Yearly Expenditures for Rent per \$100 of Total Expense.

Out of every \$100 of total expense, rent expenditures constitute \$11.42. This is the average for all stores combined, and for the years 1919, 1918, and 1914, treated as a total. In 1919, this amount was \$10.24; in 1918, \$11.66; and in 1914, \$14.49. Rent expenditures per \$100 of total expense, for stores of all sizes and for all geographical divisions, decreased between 1914 and 1919, notwithstanding the fact that rents per store increased during the same period.

* See the discussion *infra* p. 106 relating to the meaning of the term "rent" and the bearing of the form of the questionnaire on the interpretation of the term.

C.—Yearly Expenditures for Rent in Relation to Floor Space.

The amount of rent expenditures per 100 square feet of floor space occupied by clothing stores increases with the size of cities in which they are located, the difference being larger for stores not on corners than for those located on corners. Stores which occupy first floors only pay more rent per 100 square feet of floor space than stores occupying first and additional floors. This condition is true for stores in both small and large cities.

2.—YEARLY EXPENDITURES FOR WAGES AND SALARIES IN CLOTHING STORES, 1919, 1918, AND 1914.

The expression "wages and salaries," as used herein, refers to the amount of compensation of all kinds paid both to employees and proprietors.

A.—Yearly Expenditures for Wages and Salaries per \$100 of Total Net Sales.

The average yearly expenditure for wages and salaries per \$100 of total net sales is \$12.48. This is the average when all stores are considered and the three years 1919, 1918, and 1914 are combined. The corresponding averages for the years separately, are: 1919, \$11.93; 1918, \$13.14; and 1914, \$12.91. The average for the three years combined is based upon 929 store-years, \$80,302,705 sales, and \$10,021,748 wages and salaries. The corresponding experiences for the

years individually are smaller, but adequate, it is believed, as a basis for valid comparison.

The average amounts, expressed in relation to total net sales, decreased by 7.6 per cent. between 1914 and 1919, the decrease characterizing the stores when considered as a total and also when distinguished by size. On the other hand, the average amount of expenditures for this purpose increases with the size of stores as well as with the size of cities in which stores are located. This is true not only for all of the stores when treated as a total, but also for those of each group, when the stores are classified by size and by the size of the city in which located.

B.—Yearly Expenditures for Wages and Salaries per \$100 of Total Expense.

Out of every \$100 of total expense, \$55.23 is paid in the form of wages and salaries. This average is based upon the combined experience of all of the stores which reported figures for 1919, 1918, and 1914. In 1919, this amount was \$55.93; in 1918, \$55.21; and in 1914, \$53.06. The number of store-years upon which the figure for the three years combined is based is 929; the total expense is \$18,144,141; and the total wages and salaries, \$10,021,748.

Unlike the tendency for wages and salaries, when expressed in terms of total net sales, to increase with the size of stores, the tendency for wages and salaries in terms of total expense

shows neither a decrease nor an increase with the size of stores. The relationships for groups of stores, when classified by size, do not vary by more than 10 per cent. from the average for all stores. Expressed in another way, this means that wages and salaries and total expense vary directly and in almost equal proportion for stores of different size for the country as a whole and for each of the different geographical divisions.

C.—Distribution of Wages and Salaries.

Out of every \$100 of total wages and salaries, proprietors receive \$39.28. This figure is based upon the combined experience of the stores reporting for 1919, 1918, and 1914. The amount of wages and salaries paid to proprietors decreases as the size of the store increases. Moreover, the proportion, going to this class, of the total wages and salaries paid decreased between 1914 and 1919.

Regular salesmen, as a group, receive \$36.33 out of every \$100 of total wages and salaries. The amount going to this class of employees increases slightly with the size of the stores. It was higher in 1919 than in 1914.

Tailors and bushelmen receive \$11.36 out of every \$100 of total wages and salaries. This average relates solely to the stores reporting this class of employees, and on the basis of the data available varies inversely with the size of stores. Be-

tween 1914 and 1919, the proportion of the total wages and salaries which went to this class decreased noticeably.

D.—Methods by Which Employees are Paid.

Less than one-fourth of the stores reported the use of bonus schemes and these were the larger stores in larger cities. Bonus schemes, when used, more often apply to buyers, regular salesmen, bookkeepers and advertising men than to other classes of employees, and generally accompany payment by means of straight salaries.

Most stores reported that their employees are paid straight salaries. Some few stores pay salaries and commissions, but these when paid apply solely to buyers and regular salesmen. In a few instances, stores reported the practice of paying straight commissions to their buyers, salesmen, and tailors and bushelmen.

The use of P.M.'s was reported by 26 per cent. of the stores which answered the question as to their practices in this respect. Those which pay P.M.'s are, generally speaking, the larger stores, and the practices are almost entirely confined to stores in larger cities.

Merchandise is most commonly sold to employees at cost. Some stores sell at a specified per cent. above cost—the most common rate being 10 to 15 per cent.; and some sell at a discount from selling price—the most common discount being 20 to 30 per cent.

III. YEARLY EXPENDITURES FOR RENT IN CLOTHING STORES, 1919, 1918, 1914

THREE different types of expense ratios are used in presenting the results of this study of expenditures for rent; first, the amount of rent per \$100 of total net sales; second, the amount of rent per \$100 of total expense; and third, the amount of rent per 100 square feet of floor space. The following discussions and tables present the data in this order.

The expenditures for rent apply to the years 1919, 1918, and 1914 with a varying number of stores for each of the years. For the most part, the data cover stores which are rented, but in some cases—about 12 per cent. of the total—those which are owned. In the latter case, owners were asked to report the amounts for which the space occupied, in each of the above years, would have rented. If rent was paid for outside storage space, the amounts paid were added; and, if space was rented to others, the amounts received during each of the years were deducted. So-called rentals paid for light, water, heat, power, and janitor service and similar concessions were deducted. The rentals actually used in the study, therefore, may be considered net amounts paid for both building and site.* Every precaution was taken to secure complete and accurate data, reports which appeared to be of doubtful character being omitted from consideration entirely or used

only to the degree to which they met the tests applied.

The comprehensive nature of the questionnaire made it possible to check rather closely the rentals given, by comparing the amounts with the actual space occupied on each floor of the building—distinction, in most cases, being made between the various floors—and by checking these with the position, age, and construction of the building. These latter characteristics of the premises will be discussed in a subsequent study.

The aim in this volume is to express in the form of standards the expenses and expense ratios found in clothing stores so that they may be used by merchants and others as a body of experience by which the reasonableness of expense distribution may be tested and appraised.

1.—YEARLY EXPENDITURES FOR RENT PER \$100 OF TOTAL NET SALES, 1919, 1918, AND 1914.

Stores paid, on the average for the three years, 1919, 1918, 1914, \$2.64 in rent for every \$100 of total net sales.* In 1919, this amount was \$2.20; in 1918, \$2.89; and in 1914, \$3.57. Relatively, the amount in 1919 was 83.3 per cent. of the average for the three years combined. In 1918, this relative amount was 109.5 per cent. and in 1914, 135.2 per cent. Over the three years, the amount in relation to net sales decreased, the

* It seemed to be neither necessary nor practical to distinguish between building and land rent.

* Sammons, in his "How to Run a Retail Business at a Profit," A. W. Shaw Co., 1919, p. 25, puts the average for clothing stores at \$3.04 per \$100 of total net sales.

highest year being 1914, and the other years following in order, chronologically. These averages are based on approximately \$86,000,000 of total net sales for the three years; \$44,000,000, in 1919; \$29,000,000, in

1918; and \$13,000,000, in 1914. The number of stores, the total net sales, and the total yearly expenditures for rent, as well as the relations in amounts and per cents are given in Table 1.

TABLE 1

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR ALL STORES CLASSIFIED BY YEARS

Years	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales in All Stores for Each Year, is of the Amount for All Years								Per Cent.
	Number of Store-years	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.								
					0	20	40	60	80	100	120	140	
Total (Average)	981	\$85,980,262	\$2,267,612	\$2.64									100.0
1919	393	44,316,192	975,916	2.20									83.3
1918	359	28,889,849	835,470	2.89									109.5
1914	229	12,774,221	456,226	3.57									135.2

Average \$2.64

While the amount of rent expense per \$100 of total net sales was lower for both 1918 and 1919 than for 1914, the actual amount of rent per store for the same period was higher. In 1914, this amount was \$1,992; in 1918, it was \$2,327; and in 1919, \$2,483. Both sales and rent in-

creased during the period in question, but sales increased faster than rent. Accordingly, rent per unit of total net sales shows a decrease. The increase of total net sales and of total expenditures for rent per store are shown in amounts and in per cents in Table 2.

TABLE 2

AVERAGE NET SALES AND EXPENDITURE FOR RENT PER STORE FOR 1919, 1918, AND 1914, AND PER CENT. INCREASE OVER 1914

Years	Average Total Net Sales per Store					Average Expenditure for Rent per Store								
	Amount	Per Cent. Increase over 1914				Amount	Per Cent. Increase over 1914							
		Amount	Graphic				Amount	Graphic						
			Per Cent.					Per Cent.						
		0	20	40	60	80	100		0	20	40	60	80	100
1919	\$112,764	102.1					\$2,483	24.6						
1918	80,473	44.3					2,327	16.8						
1914	55,783						1,992							

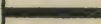





The foregoing discussion has reference to a varying number of stores in the years considered. That which follows, on the other hand, relates to 268 identical stores which reported both their rent and their total net sales for each of the years, 1919, 1918, and 1914.

For exactly the same stores in the three years, the rent expenditure per \$100 of total net sales decreased from \$3.69 in 1914 to \$2.21 in 1919, notwithstanding the fact that the average rent per store increased from \$1,931

in 1914 to \$2,650 in 1919. That is, the rent per \$100 of total net sales decreased by \$1.48 or 40.1 per cent., while the rent per store increased by \$719 or 37.2 per cent. In the same period, of course, sales per store increased at a more rapid rate than the rent, the result being a decrease in the amount of rent per \$100 of total net sales both in 1919 and 1918 when compared with 1914. These conditions for identical stores are shown in Table 3.

TABLE 3

AVERAGE AMOUNT OF NET SALES AND EXPENDITURE FOR RENT PER STORE,
AND AVERAGE EXPENDITURE FOR RENT PER \$100 OF TOTAL NET
SALES, WITH PER CENT. INCREASE OR DECREASE FOR 268
IDENTICAL STORES, 1919, 1918, AND 1914

Years	Average Total Net Sales per Store				Average Expenditure for Rent per Store				Average Expenditures for Rent per \$100 of Total Net Sales						
	Amount	Per Cent. Increase over 1914			Amount	Per Cent. Increase over 1914			Amount	Per Cent. Decrease from 1914					
		Amount	Graphic Per Cent.			Amount	Graphic Per Cent.			Amount	Graphic Per Cent.				
			0	40			80 120 160	0			40	80 120 160	0	40	80 120 160
1919	\$120,084	129.2			\$2,650	37.2			\$2.21	40.1					
1918	85,904	60.1			2,402	24.4			2.86	22.5					
1914	52,392				1,931				3.69						

A.—Yearly Expenditures for Rent per \$100 of Total Net Sales for Stores Classified by Size, 1919, 1918, and 1914.

The amount of rent paid by a store is obviously determined by a variety of conditions. Among these are the type of building, position, size of city in which located, amount of floor space, amount of business done, etc.




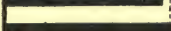


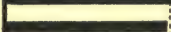
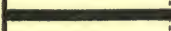
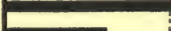

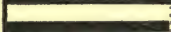
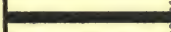
Some of these conditions are of minor, while others are of major, importance. It is desirable statistically to indicate the relationship between rent and any of these conditions which may be isolated for this purpose, although it is difficult if not impossible to prove that any one or combination of them in a particular case is the cause of high or low rents. The

purpose of what follows is to show for essentially homogeneous classes of stores the association between ex-

penditures for rent and the conditions under which the retail clothing trade is conducted.

TABLE 4

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE, 1919, 1918, AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number of Store- years	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
					Per Cent. 0 20 40 60 80 100 120 140 160	
Total (Average)	981	\$85,980,262	\$2,267,612	\$2.64		100.0
Under \$20	54	840,190	32,396	3.86		146.2
\$20 to \$40	254	7,631,762	223,449	2.93		111.0
\$40 to \$60	220	10,863,589	274,798	2.53		95.8
\$60 to \$80	142	9,856,140	270,935	2.75		104.2
\$80 to \$100	84	7,572,127	204,189	2.70		102.3
\$100 to \$140	99	11,641,464	335,239	2.88		109.1
\$140 to \$180	44	7,019,014	189,598	2.70		102.3
\$180 to \$220	24	4,741,075	123,291	2.60		98.5
\$220 to \$300	24	6,281,825	176,619	2.81		106.4
\$300 to \$500	24	9,101,021	268,315	2.95		111.7
\$500 & over	12	10,432,055	168,783	1.62		61.4
Under \$40	308	8,471,952	255,845	3.02		114.4
\$40 to \$80	362	20,719,729	545,733	2.63		99.6
\$80 to \$180	227	26,232,605	729,026	2.78		105.3
\$180 & over	84	30,555,976	737,008	2.41		91.3

Average \$2.64

Table 4 shows the relationship between rent and total net sales for stores of different size. The details apply to the combined experience of 1919, 1918, and 1914, and cover, approximately, \$86,000,000 of total net sales and rent expenditures of more than \$2,000,000. The graphic part of the table shows an unmistakable tendency for the amount of rent ex-

penditures per \$100 of total net sales to decrease with an increase in the amount of business done. This tendency is not regular for the stores when classified into small groups, although it may be detected even under these conditions. When the stores are classified as in the lower part of the table, the fact is clearly apparent as between the extremes. But,

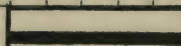

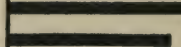
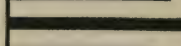
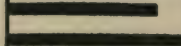
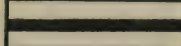
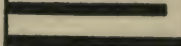
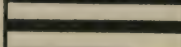

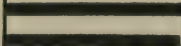
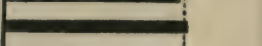
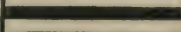
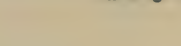
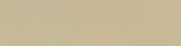


curiously, the reverse condition holds for the two groups \$40,000 to \$80,000, and \$80,000 to \$180,000. It should be noted, however, that these groups are of unequal width and that the stores included may have only the fact of approximate amount of sales in common. An inspection of the upper part of the table shows that the disturbing ratios for the wider group, \$80,000 to \$180,000, are those found in the \$100,000 to \$140,000 sales-group. The uncertain tendency

suggests at once the presence of factors, other than the size of a store, as measured by total net sales, which determine rent expenditures.

The following facts may be noted from a brief summary of the table. The average amount of rent expenditure per \$100 of total net sales for the 981 store-years is \$2.64. This corresponds to \$3.02 for stores with yearly total net sales less than \$40,000, and to \$2.41 for stores with yearly total net sales of \$180,000 and

TABLE 5

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE, 1919

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100. of Total Net Sales for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
					Per Cent. 0 20 40 60 80 100 120 140	
Total (Average)	393	\$44,316,192	\$975,916	\$2.20		100.0
Under \$20	5	78,229	2,340	2.99		135.9
\$20 to \$40	63	1,972,129	45,736	2.32		105.5
\$40 to \$60	91	4,493,546	88,875	1.98		90.0
\$60 to \$80	61	4,240,593	98,187	2.32		105.5
\$80 to \$100	41	3,731,161	67,173	1.80		81.8
\$100 to \$140	55	6,607,435	159,855	2.42		110.0
\$140 to \$180	25	3,984,355	92,318	2.32		105.5
\$180 to \$220	14	2,773,912	52,771	1.90		86.4
\$220 to \$300	15	3,910,928	88,948	2.27		103.2
\$300 to \$500	15	5,659,163	174,567	3.08		140.0
\$500 & over	8	6,864,741	105,146	1.53		69.5
Under \$40	68	2,050,358	48,076	2.34		106.4
\$40 to \$80	152	8,734,139	187,062	2.14		97.3
\$80 to \$180	121	14,322,951	319,346	2.23		101.4
\$180 & over	52	19,208,744	421,432	2.19		99.5


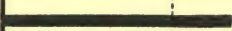
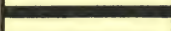
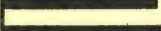

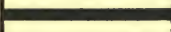
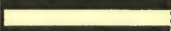
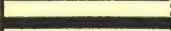




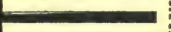
Average \$2.20

over. This wide difference does not obtain, on the average, for stores of moderate size. The difference in the rent per \$100 of total net sales for stores with total net sales between \$40,000 and \$80,000, and those between \$80,000 and \$180,000 is only \$0.15 when they are grouped as indicated. When grouped into narrower classes, the differences are

larger. If the stores were treated individually, obviously, the differences would be even more marked, because every condition determining rent would exert its full influence. When they are grouped and averaged, however, individual differences tend to be lost, compensated for, or submerged.

TABLE 6

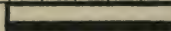

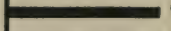
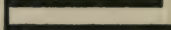
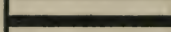
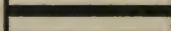

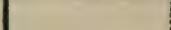
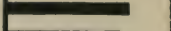
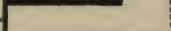

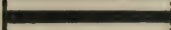

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE, 1918

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
					Per Cent. 0 20 40 60 80 100 120 140	
Total (Average)	359	\$28,889,849	\$835,470	\$2.89		100.0
Under \$20	21	340,718	13,273	3.90		134.9
\$20 to \$40	103	3,107,730	93,323	3.00		103.8
\$40 to \$60	78	3,841,820	101,052	2.63		91.0
\$60 to \$80	57	3,968,845	108,003	2.72		94.1
\$80 to \$100	29	2,586,376	88,218	3.41		118.0
\$100 to \$140	31	3,578,648	121,618	3.40		117.6
\$140 to \$180	14	2,219,214	64,380	2.90		100.3
\$180 to \$220	7	1,386,406	39,707	2.86		99.0
\$220 to \$300	9	2,370,897	87,671	3.70		128.0
\$300 to \$500	7	2,679,984	73,588	2.75		95.2
\$500 & over	3	2,809,211	44,637	1.59		55.0
Under \$40	124	3,448,448	106,596	3.09		106.9
\$40 to \$80	135	7,810,665	209,055	2.68		92.7
\$80 to \$180	74	8,384,238	274,216	3.27		113.1
\$180 & over	26	9,246,498	245,603	2.66		92.0

Average \$2.89

TABLE 7

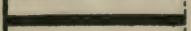
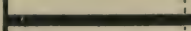

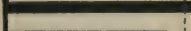

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
NET SALES FOR STORES CLASSIFIED BY SIZE, 1914

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores											Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.											
					0	20	40	60	80	100	120	140	160			
Total (Average)	229	\$12,774,221	\$456,226	\$3.57												100.0
Under \$20	28	421,243	16,763	3.98												111.5
\$20 to \$40	88	2,551,903	84,390	3.31												92.7
\$40 to \$60	51	2,528,223	84,871	3.36												94.1
\$60 to \$80	24	1,646,702	64,745	3.93												110.1
\$80 to \$100	14	1,264,590	48,798	3.89												109.0
\$100 to \$140	13	1,455,381	53,766	3.69												103.4
\$140 to \$180	5	815,445	32,900	4.03												112.9
\$180 to \$220	3	580,757	30,813	5.31												148.7
\$220 to \$300	-	-	-	-												-
\$300 to \$500	2	761,874	20,160	2.65												74.2
\$500 & over	1	758,103	19,000	2.61												70.3
Under \$40	116	2,973,146	101,173	3.40												95.2
\$40 to \$80	75	4,174,925	149,616	3.58												100.3
\$80 to \$180	32	3,525,416	135,464	3.84												107.6
\$180 & over	6	2,100,734	69,973	3.33												95.3

Average \$3.57

TABLE 8

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
NET SALES FOR 268 IDENTICAL STORES, 1919, 1918, AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for 268 Identical Stores of Different Size, is of the To- tal Amount							Per Cent.
	Number of Store- years	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	804	\$68,709,663	\$1,871,556	\$2.72								100.0
Under \$40	277	7,397,091	230,089	3.11								114.3
\$40 to \$80	283	16,236,306	438,017	2.70								99.3
\$80 to \$180	182	21,046,911	619,092	2.94								108.1
\$180 & over	62	24,029,355	584,358	2.43								89.3

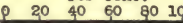

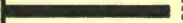

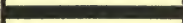
Average \$2.72

While varying numbers of stores were considered in Tables 4-7, the details there summarized are seemingly the same for identical stores during the period. The increase in both sales and rent, as well as the decrease in rent per unit of sales, was commented upon on pages 107 and 108. When identical stores are grouped by the amount of total net sales, the tendency for the amount of rent expenditures per \$100 of total net sales to decrease as the stores increase in size is apparent. Such a grouping is given in Table 8 for the years 1919, 1918, and 1914, combined. Details for the years separately are shown in Tables 9, 10, and 11.

Tables 9 to 11, inclusive, may be summarized as follows:

TABLE 9

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR 268 STORES, 1919

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for 268 Stores of Different Size, is of the Total Amount							Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	268	\$32,182,397	\$710,291	\$2.21								100.0
Under \$40	43	1,282,052	30,894	2.41								109.0
\$40 to \$80	98	5,720,751	117,677	2.06								93.2
\$80 to \$180	90	10,623,958	237,476	2.24								101.4
\$180 & over	37	14,555,636	324,244	2.23								100.9

Average \$2.21

Moreover, a comparison of the same and of a different number of stores shows that rent in terms of net sales decreases as the size of the

For the 268 stores, during the period used in this study, rent per \$100 of total net sales decreased from \$3.69 in 1914 to \$2.21 in 1919. That is, the actual decrease was \$1.48 or 40.1 per cent. This compares favorably with the decrease shown for a larger but varying number of stores as shown in Tables 4 to 7. For these stores the actual decrease was from \$3.57 in 1914 to \$2.20 in 1919 or 38.4 per cent. Unmistakably, then, rent in terms of total net sales decreased during this period. Even with the somewhat different number of stores used in the comparison for years, the actual difference between the amounts of decrease is only \$0.11.

store increases. For identical stores, this decrease is present not only for all of the years, when averaged for the three years, but also for each of

the years separately. It is true that this decrease is not uniform, nor in all cases consistent from group to group, but, in spite of this fact, the dominant changes are downward and,

therefore, the conclusion that this movement is characteristic seems warranted.

This fact is significant as a working principle in store management.

TABLE 10

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR 268 STORES, 1918

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for 268 Stores of Different Size, is of the Total Amount	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
Total (Average)	268	\$22,486,213	\$643,643	\$2.86	0 20 40 60 80 100 120	100.0
Under \$40	87	2,455,215	72,916	2.97		103.8
\$40 to \$80	105	6,082,778	158,534	2.61		91.3
\$80 to \$180	57	6,575,235	222,052	3.38		118.2
\$180 & over	19	7,372,985	190,141	2.58		90.2

Average \$2.86

Moreover, the actual ratios may be taken as norms or standards, by which merchants may judge their own experience. When averages show the unmistakable tendency here

disclosed, it may safely be concluded that one has not just hit upon a peculiar coincidence, but rather discovered a principle which is universal for stores as a class, in spite of the

TABLE 11

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR 268 STORES, 1914

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for 268 Stores of Different Size, is of the Total Amount	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
Total (Average)	268	\$14,041,053	\$517,622	\$3.69	0 20 40 60 80 100 120	100.0
Under \$40	147	3,659,824	126,279	3.45		93.5
\$40 to \$80	80	4,432,777	161,806	3.65		98.9
\$80 to \$180	35	3,847,718	159,564	4.15		112.5
\$180 & over	6	2,100,734	69,973	3.33		90.2

Average \$3.69

fact that individual exceptions may be encountered. Of course, local peculiarities may qualify the relationship here expressed. These, how-

ever, if found, should be regarded as exceptions, and not made to appear as disproving the well substantiated tendency.

TABLE 12

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR 268 IDENTICAL STORES CLASSIFIED BY SIZE, 1919, 1918, AND 1914

Classified Total Net Sales (in 000's)	Years	Stores Reporting on Rent for Each of the Years									
		Number of Store- years	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales						
					Actual	\$0	\$1	\$2	\$3	\$4	\$5
Total (Average)	Total (Average)	804	\$68,709,663	\$1,871,556	\$2.72						
	1919	268	32,182,397	710,291	2.21						
	1918	268	22,486,213	643,643	2.86						
	1914	268	14,041,053	517,622	3.69						
Under \$40	Total (Average)	277	7,397,091	230,089	3.11						
	1919	43	1,282,052	30,994	2.41						
	1918	87	2,455,215	72,916	2.97						
	1914	147	3,659,824	126,279	3.45						
\$40 to \$80	Total (Average)	283	16,236,306	438,017	2.70						
	1919	98	5,720,751	117,677	2.06						
	1918	105	6,082,778	158,534	2.61						
	1914	80	4,432,777	161,806	3.65						
\$80 to \$180	Total (Average)	182	21,046,911	619,092	2.94						
	1919	90	10,623,958	237,476	2.24						
	1918	57	6,575,235	222,052	3.38						
	1914	35	3,847,718	159,564	4.15						
\$180 & over	Total (Average)	62	24,029,355	584,358	2.43						
	1919	37	14,555,636	324,244	2.23						
	1918	19	7,372,985	190,141	2.58						
	1914	6	2,100,734	69,973	3.33						

Average \$2.72

Table 12 shows the rent per \$100 of total net sales for 268 identical stores, classified by size and by years. In every size group, the amount of rent expenditure per \$100 of total net sales decreased from 1914 to 1919. A study of the number of stores of each size, in 1914, compared with the number of the same size in the later years shows unmistakably the shifting of stores from group to group because of expanding sales. The largest group—containing stores with total net sales of \$180,000 and over—is interesting in this respect. In 1914, six of the 268 stores had sales of this amount. By 1918, this number had increased to 19, and by 1919, it was 37. Similar growth of sales is apparent for the group of stores with total net sales between \$80,000 and \$180,000.

B.—Yearly Expenditures for Rent per \$100 of Total Net Sales for Stores Classified by Size of City in Which Located, 1919, 1918, and 1914.*

The contention that rents for similar premises increase with the size of cities will undoubtedly be admitted without argument. Moreover, the claim that total net sales, for stores of similar type, increase with the density of population, other things remaining equal, will probably not be questioned. But that expenditure for rent per \$100 of total net sales in clothing stores rapidly increases with the size of cities in which they

* Population figures are for 1920.


are situated, would probably not be agreed to so readily. That the latter is true for 981 store-years for 1919, 1918, and 1914, combined, is shown in Table 13. The groups of stores in the largest cities do not seem to follow the rule, which is so clearly evident for stores in the smaller cities. This is explained, in part if not in full, by the inclusion within these cities of a somewhat disproportionate number of larger stores for which, it will be remembered, rents in relation to total net sales were considerably lower than for small stores. That this is the explanation of this seeming exception to the rule, is evident when each of the years is shown separately, as in Tables 14, 15, 16, and more particularly by reference to Tables 19 to 22, inclusive, where stores are classified both by size of cities in which located and by total net sales.

The average amount of expenditures for rent per \$100 of total net sales in all cities for the three years 1919, 1918, and 1914, combined, is \$2.64. It is the lowest for the smallest cities, and highest for the cities with population of 120,000 to 200,000, the amount per \$100 of total net sales for the former being \$1.84 and for the latter \$3.51. The increases, actual and relative, from the smallest cities to those having from 120,000 to 200,000 population are, respectively, \$1.67 and 90.8 per cent.

The actual and relative amounts of rent per \$100 of total net sales for stores in cities of different size for

TABLE 13

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
NET SALES, FOR STORES CLASSIFIED BY SIZE OF CITY,
1919, 1918, AND 1914, COMBINED

Size of City (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores	Per Cent.
	Number of Store-years	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.	
Total (Average)	981	\$85,980,262	\$2,267,612	\$2.64	0 20 40 60 80 100 120 140	100.0
Under 10	463	21,905,858	403,281	1.84		69.7
10 to 20	136	9,787,070	213,399	2.18		82.6
20 to 40	138	12,972,728	326,822	2.52		95.5
40 to 120	135	19,132,987	643,104	3.36		127.3
120 to 200	44	7,993,138	280,178	3.51		133.0
200 to 440	34	7,718,985	222,959	2.89		109.5
440 and over	31	6,471,496	177,869	2.75		104.2

Average \$2.64

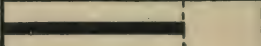

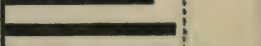
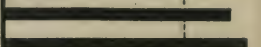
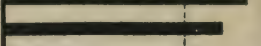
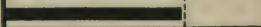


1919, 1918, and 1914 are shown in Tables 14, 15, and 16. It should be remembered that all stores, irrespective of the amount of total net sales, are here classified by size of city in which they are located. It is true that the proportion of large stores is greater in the large than in the small cities. Both rents and sales should be higher in large cities for this reason. Moreover, as is shown above, rents per \$100 of total net sales decrease as sales increase, but rents per \$100 of total net sales unmistakably increase with the size of the city. This seems to suggest an advantage, other things remaining equal, in so far as rent payments in relation to sales are concerned, for the small over the large cities. It is

possible, but not probable, that more complete sampling would somewhat alter the results of this analysis. Rents rise faster per store with increase in size of city than do sales, thereby requiring more money to be expended for rent per unit of sales in stores in large than in small cities.

Without stressing the generalization too much at this point, one may safely conclude that rents are not only higher for similar premises in large than they are in small cities, but also that they tend to be higher when stores of varying size are compared in cities of different size. This subject is more fully treated in Section C, pages 122 to 125, of this part of the study.

TABLE 14

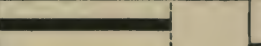
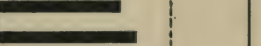
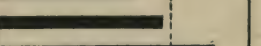
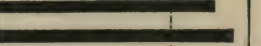
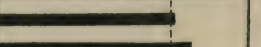

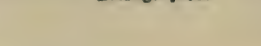
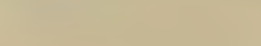
TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1919

Size of City (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.	
					0 20 40 60 80 100 120 140	
Total (Average)	393	\$44,316,192	\$975,916	\$2.20		100.0
Under 10	188	11,189,431	167,555	1.50		68.2
10 to 20	53	5,030,266	91,884	1.83		83.2
20 to 40	54	6,531,053	137,466	2.10		95.5
40 to 120	54	10,038,466	277,926	2.77		125.9
120 to 200	17	4,102,667	121,487	2.96		134.5
200 to 440	14	3,823,761	101,865	2.66		120.9
440 & over	13	3,600,548	77,733	2.16		98.2

Average \$2.20

TABLE 15

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1918

Size of City (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	Per Cent.	
					0 20 40 60 80 100 120 140	
Total (Average)	359	\$28,889,849	\$835,470	\$2.89		100.0
Under 10	170	7,289,697	150,348	2.06		71.3
10 to 20	49	3,264,127	75,856	2.32		80.3
20 to 40	49	4,323,979	119,403	2.76		95.5
40 to 120	50	6,372,914	231,275	3.63		125.6
120 to 200	16	2,700,451	106,569	3.95		136.7
200 to 440	12	2,735,480	80,561	2.95		102.1
440 & over	13	2,203,201	71,438	3.24		112.1

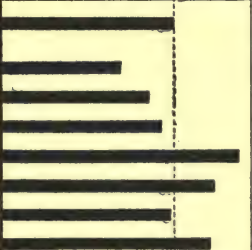
Average \$2.89

Before leaving this topic, however, it should be noted that a varying number of stores is considered in Tables 14, 15, and 16. In spite of this and of the equally significant fact that the proportion of small and large stores is not necessarily the same in each group of cities during

the three years, the same tendency observed for the three years, when combined, holds for each year separately. It is true that the tendency is not equally present in each year, but still it obtains—the rule or principle is clear.

TABLE 16

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1914

Size of City (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
					Per Cent. 0 20 40 60 80 100 120 140	
Total (Average)	229	\$12,774,221	\$456,226	\$3.57		100.0
Under 10	105	3,424,730	85,378	2.49		69.7
10 to 20	34	1,492,677	45,659	3.06		85.7
20 to 40	35	2,117,696	69,953	3.30		92.4
40 to 120	51	2,721,607	133,903	4.92		137.8
120 to 200	11	1,190,020	52,122	4.38		122.7
200 to 440	8	1,159,744	40,513	3.49		97.8
440 & over	5	667,747	28,698	4.30		120.4

Average \$3.57

An analysis similar to that above is made for 1919, 1918, and 1914, for 268 stores which reported their rent and their sales for each of the years. Table 17 shows the average expenditure for rent made by identical stores for the years 1919, 1918, and 1914, and also for these years combined. For the 206 stores located in small cities—those with population under 40,000—the average rent expenditure per store for the three years combined is \$1,325; for the 62 stores located in large cities—those

with population of 40,000 and over—the corresponding amount is \$5,659. The average rent expenditure per \$100 of total net sales, for the three years combined, is \$2.21 in the smaller and \$3.32 in the larger cities. That is, the rent per store for stores in the large cities is approximately four times as large as the rent per store for stores in the small cities, while the rent per \$100 of total net sales is only one and one-half times as great.

TABLE 17

TOTAL RENT AND AVERAGE RENT PER STORE, 1919, 1918, AND 1914, FOR 268 IDENTICAL STORES, CLASSIFIED BY SIZE OF CITY IN WHICH LOCATED

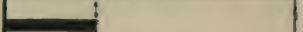
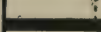

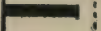




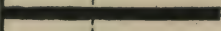



Size of City	Years	Stores Reporting on Rent for Each of the Years			Ratio Which Amount of Rent per Store for Each Year, is of the Average Rent for the Three Years										Per Cent.
		Number of Store-years	Total Rent	Average Rent per Store	Per Cent.										
					0	40	80	120	160	200	240	280	320		
Total (Average)	Total (Average)	804	\$1,871,556	\$2,328											100.0
	1919	268	710,291	2,650											113.8
	1918	268	643,643	2,402											103.2
	1914	268	517,622	1,931											82.9
	Total (Average)	618	818,976	1,325											56.9
Under 40,000	1919	206	303,934	1,475											63.4
	1918	206	284,556	1,381											59.3
	1914	206	230,486	1,119											48.1
	Total (Average)	186	1,052,580	5,659											243.1
	1919	62	406,357	6,554											281.5
40,000 and over	1918	62	359,087	5,792											246.8
	1914	62	287,136	4,631											198.9
Average \$2,328															

Table 18 shows for 268 identical stores, classified by size of city in which they are located, the relations between expenditures for rent and total net sales for each of the years, together with the increases or decreases for the years 1919 and 1918, as compared with 1914. In 1919, the rent per store in large cities was 4.4 times as large as the rent per store in small cities, while the rent per \$100 of total net sales was only 1.5 times as great. In 1918, these ratios were respectively 4.2 and

1.5; and in 1914, 4.1 and 1.6.

For 206 stores in small cities, the amount of sales per store was 113.1 per cent. greater in 1919 than in 1914; the rent per store was 31.8 greater, but the rent per \$100 of total net sales was 38.1 per cent. less. For the 62 stores in large cities, the amount of sales per store was 150.4 per cent. greater in 1919 than in 1914; the rent per store was 41.5 per cent. greater, but the rent per \$100 of total net sales was 43.6 per cent. less.

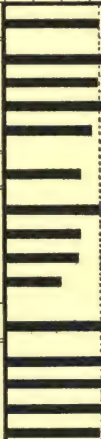
TABLE 18

NET SALES AND RENT EXPENSE WITH PER CENT. INCREASE OR DECREASE
FOR 268 IDENTICAL STORES, BY YEARS

Size of City (in 000's)	Years	Number of Stores	Net Sales			Rent				
			Total	Average Sales per Store		Total	Average Rent per Store		Per \$100 of Total Net Sales	
				Amount	Per Cent. Increase over 1914		Amount	Per Cent. Increase over 1914	Amount	Per Cent. Decrease from 1914
Total (Average)	1919	268	\$32,182,397	\$120,084	129.2	\$710,291	\$2,650	37.2	\$2.21	40.1
	1918	268	22,486,213	83,904	60.1	643,643	2,402	24.4	2.86	22.5
	1914	268	14,041,053	52,392		517,622	1,931		3.69	
Under 40	1919	206	16,987,197	82,462	113.1	303,934	1,475	31.8	1.79	38.1
	1918	206	12,085,949	58,670	51.6	284,556	1,361	23.4	2.35	18.7
	1914	206	7,972,608	38,702		230,486	1,119		2.89	
40 and over	1919	62	15,195,200	245,083	150.4	406,357	6,554	41.5	2.67	43.6
	1918	62	10,400,264	167,746	71.4	359,087	5,792	25.1	3.45	27.1
	1914	62	6,068,445	97,878		287,136	4,631		4.73	

TABLE 19

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
NET SALES, FOR STORES CLASSIFIED BY SIZE OF STORE AND
SIZE OF CITY, 1919, 1918, AND 1914, COMBINED

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size in Cities of Different Size, is of the Amount for All Stores	Per Cent.
		Number of Store-years	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
Total (Average)	Total (Average)	981	\$85,980,262	\$2,267,612	\$2.64		100.0
	Under \$40	308	8,471,952	255,845	3.02		114.4
	\$40 to \$80	362	20,719,729	545,733	2.63		99.6
	\$80 to \$180	227	26,232,605	729,026	2.78		105.3
	\$180 & over	84	30,555,976	737,008	2.41		91.3
Under 40	Total (Average)	737	44,663,656	943,502	2.11		79.9
	Under \$40	281	7,630,250	201,759	2.64		100.0
	\$40 to \$80	293	16,458,940	344,620	2.09		79.2
	\$80 to \$180	145	16,497,312	335,388	2.03		76.9
	\$180 & over	18	4,077,154	61,735	1.51		57.2
40 and over	Total (Average)	244	41,316,605	1,324,110	3.20		121.2
	Under \$40	27	841,702	54,086	6.43		243.6
	\$40 to \$80	69	4,260,789	201,113	4.72		178.8
	\$80 to \$180	82	9,735,293	393,638	4.04		153.0
	\$180 & over	66	26,478,822	675,273	2.55		96.6

Average \$2.64

C.—Yearly Expenditures for Rent per \$100 of Total Net Sales for Stores Classified by Size of Store and Size of City in Which Located, 1919, 1918, and 1914.*

Table 19 bears directly upon the point emphasized on page 119, viz., that larger amounts in rent per \$100 of total net sales are paid in large than in small cities. This table shows the amount for small cities to be \$2.11, and for large cities, \$3.20. Relatively, the first is 79.9 per cent. and the second 121.2 per cent. of the average for all cities irrespective of size. More-

over, expenditures for rents per \$100 of total net sales decrease with the size of stores both in small and in large cities, but the decrease is relatively larger in the latter than in the former. This seems to indicate that large stores in large cities have an advantage, in expense for rent per \$100 of total net sales, over large stores in small cities, notwithstanding the fact that the actual amount of rent paid, per \$100 of total net sales, is greater for the large stores in the large cities than it is for stores in the same size group in smaller cities.

TABLE 20

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES, FOR STORES CLASSIFIED BY SIZE OF CITY AND STORE, 1919

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size in Cities of Different Size, is of the Amount for All Stores	Per Cent.
		Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
Total (Average)	Total (Average)	393	\$44,316,192	\$975,916	\$2.20		100.0
	Under \$40	68	2,050,358	48,076	2.34		106.4
	\$40 to \$80	182	8,734,139	187,062	2.14		97.3
	\$80 to \$180	121	14,322,951	319,346	2.23		101.4
	\$180 & over	22	19,208,744	421,432	2.19		99.5
Under 40	Total (Average)	295	22,750,750	396,905	1.74		79.1
	Under \$40	63	1,902,930	41,206	2.17		98.6
	\$40 to \$80	133	7,529,025	135,352	1.80		81.6
	\$80 to \$180	84	9,876,041	168,512	1.71		77.7
	\$180 & over	15	3,442,754	51,835	1.51		68.6
40 and over	Total (Average)	98	21,565,442	579,011	2.68		121.8
	Under \$40	5	147,428	6,870	4.66		211.8
	\$40 to \$80	19	1,205,114	51,710	4.29		195.0
	\$80 to \$180	37	4,446,910	150,834	3.39		154.1
	\$180 & over	37	15,765,990	369,597	2.34		106.4

Average \$2.20

* Population figures are for 1920.

Similarly, small stores in large cities are at a disadvantage in rent payments in respect to sales as compared with the stores of the same size in small cities. Those stores having annual total net sales of \$40,000 to \$80,000 in small cities, pay approximately one-half as large a per cent. of rent based on sales, as is paid by similar stores in large cities.

Of course, so-called small stores and large stores in small and large cities are not of equal size. Generally speaking, however, large stores

have an advantage in rent payments, when expressed in units of total net sales, over small stores. Store rents in terms of total net sales are not only higher in large than in small cities for all stores, but they are also higher for stores of the same size. Table 19 is conclusive on this point.

The facts concerning rent paid in small and large stores in small and large cities are true not only for the three years combined, but also for the years separately, as is shown in Tables 20, 21, and 22.

TABLE 21

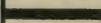


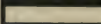
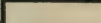
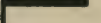

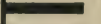
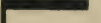
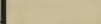

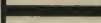

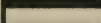

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES, FOR STORES CLASSIFIED BY SIZE OF CITY AND STORE, 1918

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size in Cities of Different Size, is of the Amount for All Stores	Per Cent.
		Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales		
						Per Cent.	
						0 30 60 90 120 150 180 210 240 270 300	
Total (Average)	Total (Average)	359	\$28,889,849	\$355,470	\$2.89		100.0
	Under \$40	124	3,448,448	106,596	3.09		106.9
	\$40 to \$80	135	7,810,665	209,055	2.68		92.7
	\$80 to \$120	74	8,384,238	274,216	3.27		113.1
	\$120 & over	26	9,246,498	245,603	2.66		92.0
Under 40	Total (Average)	268	14,877,803	345,607	2.32		80.3
	Under \$40	115	3,166,626	82,653	2.61		90.3
	\$40 to \$80	104	5,897,025	127,628	2.16		74.7
	\$80 to \$120	46	5,179,752	125,426	2.42		83.7
	\$120 & over	3	634,400	9,900	1.56		54.0
40 and over	Total (Average)	91	14,012,046	489,863	3.50		121.1
	Under \$40	9	281,822	23,943	8.50		294.1
	\$40 to \$80	31	1,913,640	81,427	4.26		147.4
	\$80 to \$120	28	3,204,496	148,790	4.64		160.6
	\$120 & over	23	8,612,098	235,703	2.74		94.8

Average \$2.89

TABLE 22

TOTAL NET SALES, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL NET SALES, FOR STORES CLASSIFIED BY SIZE OF CITY AND STORE, 1914

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Net Sales for Stores of Different Size in Cities of Different Size, is of the Amount for All Stores Per Cent.	Per Cent.
		Number	Total Net Sales	Total Rent	Rent per \$100 of Total Net Sales	0 30 60 90 120 150 180	
Total (Average)	Total (Average)	229	\$12,774,221	\$456,226	\$3.57		100.0
	Under \$40	116	2,973,146	101,173	3.40		95.2
	\$40 to \$80	75	4,174,925	149,616	3.58		100.3
	\$80 to \$180	32	3,525,416	135,464	3.84		107.6
	\$180 & over	5	2,100,734	69,973	3.33		93.3
Under 40	Total (Average)	174	7,035,103	200,990	2.86		80.1
	Under \$40	103	2,560,694	77,900	3.04		85.2
	\$40 to \$80	56	3,032,890	81,640	2.69		75.3
	\$80 to \$180	15	1,441,519	41,450	2.88		80.7
	\$180 & over	-	-	-	-		-
40 and over	Total (Average)	55	5,739,118	255,236	4.45		124.6
	Under \$40	13	412,452	23,273	5.64		158.0
	\$40 to \$80	19	1,142,035	67,976	5.95		166.7
	\$80 to \$180	17	2,083,897	94,014	4.51		126.3
	\$180 & over	6	2,100,734	69,973	3.33		93.3

Average \$3.57

Table 23 contains the detailed data from which the average net sales, as shown in Table 20, are computed. It will suffice, in illustration of the meaning of this table, to comment briefly on stores with total net sales between \$80,000 and \$180,000 in cities of the two different population groups. In the small cities 84 stores sold this amount of goods in 1919. The average amount of rent per \$100 of total net sales was \$1.71. Forty-eight stores, or 57.1 per cent. of this

number, had amounts of expenditures for rent, similarly expressed, varying from \$1.00 to \$2.00. In the large cities, 37 stores had sales between \$80,000 and \$180,000. The average amount of rent expenditure per \$100 of total net sales was \$3.39; but only six stores, or 16.2 per cent. of the total number, had similar expenditures between \$1.00 and \$2.00. Fifteen stores, or 40.5 per cent., had expenditures between \$3.00 and \$5.00.

TABLE 23

NUMBER OF STORES REPORTING CLASSIFIED AMOUNTS OF RENT PER \$100 OF
TOTAL NET SALES, BY SIZE OF CITY AND SIZE OF STORE, 1919

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Number of Stores Reporting Classified Amounts of Rent per \$100 of Total Net Sales										
		Total	Under \$1.00	\$1.00 to \$1.50	\$1.50 to \$2.00	\$2.00 to \$2.50	\$2.50 to \$3.00	\$3.00 to \$4.00	\$4.00 to \$5.00	\$5.00 to \$6.00	\$6.00 to \$7.00	\$7.00 & over
Total	Total	393	38	94	88	58	34	38	22	8	4	9
	Under \$40	68	5	12	19	12	5	3	6	2	2	2
	\$40 to \$80	152	15	42	37	19	13	13	5	3	1	4
	\$80 to \$180	121	12	29	25	17	13	15	6	1	1	2
	\$180 & over	52	6	11	7	10	3	7	5	2	-	1
Under 40	Total	295	33	87	80	44	17	18	12	2	-	2
	Under \$40	63	5	12	19	11	4	3	6	1	-	2
	\$40 to \$80	133	14	42	35	19	8	9	5	1	-	-
	\$80 to \$180	84	12	27	21	13	5	5	1	-	-	-
	\$180 & over	15	2	6	5	1	-	1	-	-	-	-
40 and over	Total	98	5	7	8	14	17	20	10	6	4	7
	Under \$40	5	-	-	-	1	1	-	-	1	2	-
	\$40 to \$80	19	1	-	2	-	5	4	-	2	1	4
	\$80 to \$180	37	-	2	4	4	6	10	5	1	1	2
	\$180 & over	37	4	5	2	9	3	6	5	2	-	1

Table 24 shows the distribution of the stores in the two groups of cities by amount of expenditures per \$100 of total net sales.

D.—Summary.

The foregoing discussion of the relation of expenditures for rent to total net sales may be summarized as follows:

- (1) The average yearly rent expenditure per \$100 of total net

sales decreased between 1914 and 1919.

- (2) The larger the store, the smaller the rent expenditure per \$100 of total net sales. This is true for each of the years 1919, 1918, and 1914, both for a varying number of stores and for the same stores.
- (3) Stores in large cities pay more rent per \$100 of total net sales than stores in small cities.

TABLE 24

DISTRIBUTION OF STORES BY SIZE OF CITY IN WHICH LOCATED, AND ACCORDING TO RENT EXPENDITURES PER \$100 OF TOTAL NET SALES, 1919

Yearly Expenditures For Rent per \$100 of Total Net Sales	Stores in Cities of Different Size									
	Population Under 40,000			Population 40,000 and over						
	Number	Per Cent.			Number	Per Cent.				
		Amount	Graphic			Amount	Graphic			
			Per Cent.				Per Cent.			
		0	10	20	30		0	10	20	30
Total	295	100.0				98	100.0			
Under \$1.00	33	11.2				5	5.1			
\$1.00 to \$1.50	87	29.5				7	7.1			
\$1.50 to \$2.00	80	27.1				8	8.2			
\$2.00 to \$2.50	44	14.9				14	14.3			
\$2.50 to \$3.00	17	5.8				17	17.4			
\$3.00 to \$4.00	18	6.1				20	20.4			
\$4.00 to \$5.00	12	4.0				10	10.2			
\$5.00 to \$6.00	2	0.7				6	6.1			
\$6.00 to \$7.00	-	-				4	4.1			
\$7.00 & over	2	0.7				7	7.1			

This is not only true for stores of all sizes, but for stores of the same size.

- (4) The difference in amount of rent per \$100 of total net sales between stores of different size is markedly greater in large than in small cities.

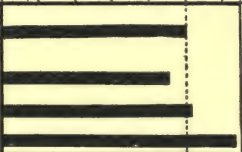
2.—YEARLY EXPENDITURES FOR RENT IN RELATION TO TOTAL EXPENSE, 1919, 1918, AND 1914.

Another approach to the discussion of expenditures for rent in

clothing stores is found in the proportion which the amounts paid bear to total expenses. The expenses, used as a base in the development of these ratios, are the totals reported on the questionnaires by the merchants. Merchants were asked not only to list their expenses in detail, but also to state their total expense for each of the years studied. While the details did not always equal the total as reported, and in some instances it was impossible to make them exactly balance, it is believed that the

TABLE 25

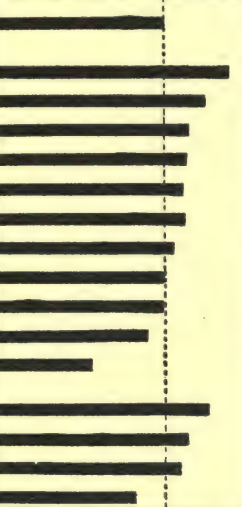
TOTAL EXPENSE, RENT EXPENSE AND AMOUNT OF RENT PER \$100 OF TOTAL
EXPENSE FOR ALL STORES, 1919, 1918, AND 1914

Years	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense in All Stores for Each Year, is of the Amount for All Years Per Cent.	Per Cent.
	Number of Store- years	Total Expense	Total Rent	Rent per \$100 of Total Expense	0 20 40 60 80 100 120	
Total (Average)	981	\$19,849,924	\$2,267,612	\$11.42		100.0
1919	393	9,533,901	975,916	10.24		89.7
1918	359	7,166,585	835,470	11.66		102.1
1914	229	3,149,438	456,226	14.49		126.9

Average \$11.42

TABLE 26

TOTAL EXPENSE, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL
EXPENSE FOR STORES CLASSIFIED BY SIZE, 1919, 1918,
AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense for Stores of Different Size is of the Amount for All Stores Per Cent.	Per Cent.
	Number of Store- years	Total Expense	Total Rent	Rent per \$100 of Total Expense	0 20 40 60 80 100 120 140	
Total (Average)	981	\$19,849,924	\$2,267,612	\$11.42		100.0
Under \$20	54	209,366	32,396	15.47		135.5
\$20 to \$40	254	1,591,889	223,449	14.04		122.9
\$40 to \$60	220	2,141,030	274,798	12.83		112.3
\$60 to \$80	142	2,125,363	270,935	12.75		111.6
\$80 to \$100	84	1,630,399	204,189	12.52		109.6
\$100 to \$140	99	2,665,108	335,239	12.58		110.2
\$140 to \$180	44	1,596,821	189,598	11.87		103.9
\$180 to \$220	24	1,081,181	123,291	11.40		99.8
\$220 to \$300	24	1,560,810	176,619	11.32		99.1
\$300 to \$500	24	2,645,498	268,315	10.14		88.8
\$500 & over	12	2,602,458	168,783	6.49		56.8
Under \$40	308	1,801,254	255,845	14.20		124.3
\$40 to \$80	362	4,266,395	545,733	12.79		112.0
\$80 to \$180	227	5,892,328	729,026	12.37		108.3
\$180 & over	84	7,889,947	737,008	9.34		81.8

Average \$11.42

errors are small, and that they are compensating when the records of the stores are combined. There is no hesitancy, therefore, in comparing the expense for any major item with the total for all items. It should be remembered, too, that only those cases were used which reported the items compared.

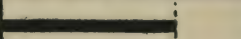

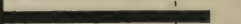
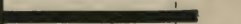

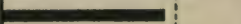
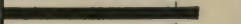


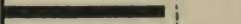
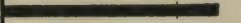
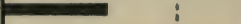
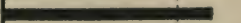
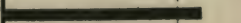

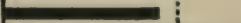
A.—Yearly Expenditures for Rent per \$100 of Total Expense, 1919, 1918, and 1914.

The average rent expense per \$100 of total expense for 981 store-years

—1919, 1918, and 1914 combined—is \$11.42. In 1919 this amount was \$10.24; in 1918, \$11.66; and in 1914, \$14.49. Relatively, the amount in 1919 was 89.7 per cent. of the average for the three years. In 1918, it was 102.1 per cent. and, in 1914, 126.9 per cent. of the average. Total expense per store increased from \$13,753 in 1914 to \$24,259 in 1919, while rent per store increased from \$1,992 to \$2,483. Total expense increased relatively more in this period than rent did. Accordingly, rent per \$100 of total expense decreased. The

TABLE 27

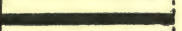

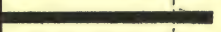
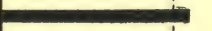
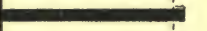
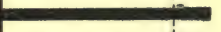
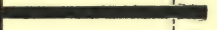
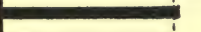
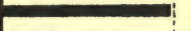
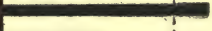
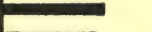
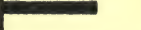

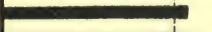
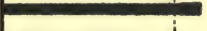
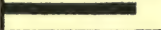
TOTAL EXPENSE, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1919

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense for Stores of Different Size, is of the Amount for all Stores									Per Cent.
	Number	Total Expense	Total Rent	Rent per \$100 of Total Expense	Per Cent.									
					0	20	40	60	80	100	120	140		
Total (Average)	393	\$9,533,901	\$975,916	\$10.24										100.0
Under \$20	5	16,326	2,340	14.33										139.9
\$20 to \$40	63	373,332	45,736	12.25										119.0
\$40 to \$60	91	775,169	88,875	11.47										112.0
\$60 to \$80	61	826,117	98,187	11.89										116.1
\$80 to \$100	41	699,954	67,173	9.60										93.7
\$100 to \$140	55	1,382,422	159,855	11.56										112.9
\$140 to \$180	25	856,696	92,318	10.76										105.3
\$180 to \$220	14	575,730	52,771	9.17										89.6
\$220 to \$300	15	937,526	88,948	9.49										92.7
\$300 to \$500	15	1,374,842	174,567	12.70										124.0
\$500 & over	8	1,715,787	105,146	6.13										59.9
Under \$40	68	389,658	48,076	12.34										120.5
\$40 to \$80	152	1,601,286	187,062	11.68										114.1
\$80 to \$180	121	2,939,072	319,346	10.87										106.2
\$180 & over	52	4,603,885	421,432	9.15										89.4

Average \$10.24

TABLE 28

TOTAL EXPENSE, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1918

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense For Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Expense	Total Rent	Rent per \$100 of Total Expense		
					Per Cent. 0 20 40 60 80 100 120 140	
Total (Average)	359	\$7,166,585	\$835,470	\$11.66		100.0
Under \$20	21	85,813	13,273	15.47		132.7
\$20 to \$40	103	649,107	93,323	14.38		123.3
\$40 to \$60	78	791,466	101,052	12.77		109.5
\$60 to \$80	57	873,087	108,003	12.37		106.1
\$80 to \$100	29	624,650	88,218	14.12		121.1
\$100 to \$140	31	876,590	121,618	13.87		119.0
\$140 to \$180	14	538,387	64,380	11.96		102.6
\$180 to \$220	7	347,146	39,707	11.44		98.1
\$220 to \$300	9	623,284	87,671	14.07		120.7
\$300 to \$500	7	1,054,652	73,588	6.98		59.9
\$500 & over	3	702,403	44,637	6.35		54.5
Under \$40	124	734,920	106,596	14.50		124.4
\$40 to \$80	135	1,664,553	209,055	12.56		107.7
\$80 to \$180	74	2,039,627	274,216	13.44		115.3
\$180 & over	26	2,727,485	245,603	9.00		77.2

Average \$11.66

actual amounts and relations are shown in Table 25.

B.—Yearly Expenditures for Rent per \$100 of Total Expense in Stores Classified by Size, 1919, 1918, and 1914.

The unmistakable tendency for rent expenditures per \$100 of total expense to decrease with the increased size of stores is shown by amounts and proportions in Tables 26, 27, 28, and 29. The average for the three years, combined, for stores having

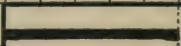
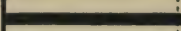

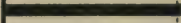

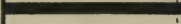


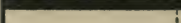
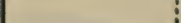
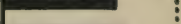
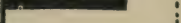
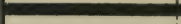

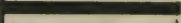

total net sales less than \$20,000 is \$15.47. For each successive sales-group, the amount of rent per \$100 of total expense rapidly and consistently shrinks until it reaches \$6.49 for stores with total net sales of \$500,000 and over. The decline is strikingly shown in Table 26. The average is \$11.42 for all stores of all sizes. Stores having total net sales of less than \$180,000 have an amount above the average; while all those having total net sales of this amount and more as clearly fall below the average.

This condition is characteristic not only of the years when combined, but also of the years when treated separately. It is true that the tendency is less marked in 1914 than in the other years, but this condition undoubtedly

may be explained, in part at least, by the incompleteness of the data. Table 26 shows the conditions for the years combined, while Tables 27, 28, and 29 give similar data for each of the years separately.

TABLE 29

TOTAL EXPENSE, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1914

Classified Total Net Sales (in 000's)	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Expense	Total Rent	Rent per \$100 of Total Expense		
					Per Cent. 0 20 40 60 80 100 120 140	
Total (Average)	229	\$3,149,438	\$456,226	\$14.49		100.0
Under \$20	28	107,227	16,783	15.65		108.0
\$20 to \$40	88	569,449	84,590	14.82		102.3
\$40 to \$60	51	574,395	84,671	14.78		102.0
\$60 to \$80	24	426,161	64,745	15.19		104.8
\$80 to \$100	14	305,795	48,798	15.96		110.1
\$100 to \$140	13	406,096	53,766	13.24		91.4
\$140 to \$180	5	201,738	32,900	16.31		112.6
\$180 to \$220	3	158,305	30,813	19.46		134.3
\$220 to \$300	-	-	-	-		-
\$300 to \$500	2	216,004	20,160	9.33		64.4
\$500 & over	1	184,268	19,000	10.31		71.2
Under \$40	116	676,676	101,173	14.95		103.2
\$40 to \$80	75	1,000,556	149,616	14.95		103.2
\$80 to \$180	32	913,629	135,464	14.86		102.3
\$180 & over	6	558,577	69,973	12.53		86.5

Average \$14.49

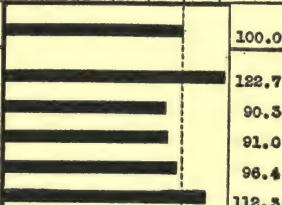
C.—Yearly Expenditures for Rent per \$100 of Total Expense in Stores Classified by Geographical Divisions of the United States, 1919, 1918, and 1914.

Based upon the records of 981 store-years for the years, 1919, 1918,

and 1914, combined, the average amount of rent per \$100 of total expense for stores in the East and in the West exceeded the average for the country as a whole. The excess for the East was 22.7 per cent., and that for the West 12.3 per cent. The

TABLE 30

TOTAL EXPENSE, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY GEOGRAPHICAL DIVISIONS, 1919, 1918, AND 1914, COMBINED

Geographical Divisions	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense for Each Division, is of the Amount for All Divisions Per Cent.	Per Cent.
	Number of Store-years	Total Expense	Total Rent	Rent per \$100 of Total Expense	0 20 40 60 80 100 120	
Total (Average)	961	\$19,849,924	\$2,267,612	\$11.42		100.0
The East	156	3,003,562	420,873	14.01		122.7
The South	146	4,331,760	446,501	10.31		90.3
East North Central	291	5,272,497	547,816	10.39		91.0
West North Central	294	4,196,697	461,914	11.01		96.4
The West	94	3,045,418	390,508	12.62		112.3

Average \$11.42

stores in the other three geographical divisions had amounts less than the average for the entire country, the lowest being 90.3 per cent. for the South. The amounts for the East North Central and West North Central were, respectively, 91.0 and 96.4 per cent. of that for the country as a whole. These relations as well as the amounts of total and of rent expense are shown in Table 30.

The tendency for the amounts of rent expenditure per \$100 of total expense to decrease for the country as a whole, since 1914, is true, with minor exceptions, for every division of the United States. On the basis of the data available, it is marked in the West and the East and less prominent in the other divisions. Table 31 shows the actual amounts and proportional changes from year to year and from division to division.

D.—Summary.

The relation of average yearly expenditures for rent to total expenses may be briefly summarized as follows:

- (1) Rent expenditure per \$100 of total expense decreased between 1914 and 1919. This is true for stores of all sizes and for stores in all geographical divisions.
- (2) The larger the store, the smaller the rent expenditure per \$100 of total expense.
- (3) Rent expenditures per \$100 of total expense are higher in the East and the West than in other geographical divisions.

3.—YEARLY EXPENDITURES FOR RENT IN RELATION TO FLOOR SPACE.

In earlier sections of this report it was shown that in the samples

TABLE 31

TOTAL EXPENSE, RENT EXPENSE, AND AMOUNT OF RENT PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY GEOGRAPHICAL DIVISIONS AND BY YEARS

Geographical Divisions	Years	Stores Reporting on Rent				Ratio Which Amount of Rent per \$100 of Total Expense for All Divisions and for Each Division is For Each Year, Based on the Average for All Years										Per Cent.	
		Number of Store-years	Total Expense	Total Rent	Rent per \$100 of Total Expense	Per Cent.											
						0	20	40	60	80	100	120	140	160			
Total (Average)	Total (Average)	981	\$19,849,924	\$2,267,612	\$11.42												100.0
	1919	393	9,533,901	975,916	10.24												89.7
	1918	359	7,166,586	835,470	11.66												102.1
	1914	229	3,149,438	456,226	14.49												126.9
The East	Total (Average)	156	3,003,562	420,873	14.01												122.7
	1919	59	1,413,316	177,785	12.58												110.2
	1918	56	1,025,550	147,284	14.36												125.7
	1914	42	564,696	95,804	16.97												148.6
The South	Total (Average)	146	4,331,750	446,501	10.31												90.3
	1919	62	2,167,970	197,826	9.13												79.9
	1918	54	1,557,030	169,341	10.88												95.3
	1914	30	606,850	79,334	13.07												114.4
East North Central	Total (Average)	291	5,272,497	547,816	10.39												91.0
	1919	116	2,430,411	239,323	9.81												85.9
	1918	106	2,065,711	201,624	9.76												85.5
	1914	69	776,375	107,869	13.89												121.6
West North Central	Total (Average)	294	4,196,697	461,914	11.01												95.4
	1919	119	2,031,227	201,757	9.93												87.0
	1918	108	1,498,176	171,215	11.43												100.1
	1914	67	667,294	88,942	13.33												116.7
The West	Total (Average)	94	3,045,418	390,508	12.82												112.3
	1919	38	1,491,077	160,225	10.75												84.1
	1918	35	1,020,118	146,006	14.31												125.3
	1914	21	534,223	84,277	15.78												136.2

Average \$11.42

studied, the stores, measured by total net sales, were larger in the large cities than in the small ones. It was also shown that rents per \$100 of total net sales were higher in the large

cities than in the small cities, not only for all stores, but also for those of the same size. Judged by this criterion alone, the size of city operates as a disadvantage. But it was

found that rents per \$100 of total net sales were lower in the large than in the small stores in cities of the same size, as well as cities of all sizes; the larger stores, therefore, having an advantage in this respect.

The amount of rent in relation to the size of stores in cities of different size may be further analyzed by expressing it in terms of 100 square feet of floor space occupied. Distinction is made for stores located in cities of different size, between stores with and without basements used for sale or storage purposes, and between positions of stores within cities.

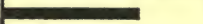

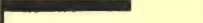



In presenting these data on the relation of rent to floor space, it is not assumed, of course, that all of the factors determining rent are included, nor that in the comparisons which are made and in the differences noted, other factors, besides those under immediate consideration, are not involved. It is impracticable, in view

of the relatively small number of stores available for study, to treat simultaneously all the conditions affecting rent. Those having a predominant influence, however, are treated as separate influences in the tables and the discussion which immediately follow.

On the basis of the records of 424 stores in 1919, the amount of expenditures for rent per 100 square feet of floor space was \$53.61 for all cities. For those with population under 40,000, it was \$36.14; while for those with population of 40,000 and over, it was \$84.42. This represents a difference of \$48.28 or 57.2 per cent. in favor of the small cities. The average rent per store, for the same stores, was \$1,314 in small cities, and \$5,568 in large cities. This is a difference of \$4,254 or 76.4 per cent. When the stores which produce an average of \$53.61 per 100 square feet of floor space, are classified by size of city

TABLE 32

RELATION OF EXPENDITURE FOR RENT TO FLOOR SPACE FOR STORES CLASSIFIED BY SIZE OF CITY IN WHICH LOCATED, POSITIONS, AND AREA INCLUDED, 1919

Nature of Building	Location of Store	Number of Stores and Average Amount of Rent per 100 sq. ft. of Floor Space				Per Cent. Which Amount of Rent per 100 sq. ft. of Floor Space in Stores in Small Cities, is of the Amount for the Same Unit of Area in Stores in Large Cities										Per Cent.	
		Population Under 40,000		Population 40,000 and over		Per Cent.											
		Number	Amount	Number	Amount	0	10	20	30	40	50	60					
With Basement	Total	83	\$29.31	39	\$70.86											41.4	
	On Corner	15	36.93	11	67.59											54.6	
	Not on Corner	68	27.87	28	72.22											38.6	
Without Basement	Total	240	40.42	62	103.29											39.1	
	On Corner	52	43.73	11	91.20											47.9	
	Not on Corner	188	39.12	51	108.19											36.2	

in which they are located, and by position and types of area included, the amounts are those shown in Table 32.

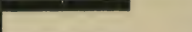

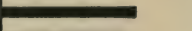

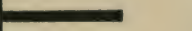

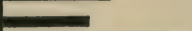

Table 32 expresses the relation which the average expenditure for rent per \$100 of floor space in stores in small cities bears to the amount for stores in large cities. According to this table, 100 square feet of floor space, which would have cost \$100 in the large cities, could have been purchased for approximately \$40 in small cities. This difference varies somewhat according to the position occupied within the cities, corner positions showing less difference for size of city than positions not on a corner.

In Table 33, rents per 100 square

feet of floor space in stores located in cities of different size are contrasted according to the nature of the space occupied. The same amount of space, in stores occupying first floors, rents for approximately one-third as much in the small cities as it does in large cities. When first and second floor stores are compared in cities of different size, the rent per 100 square feet of floor space in small cities as compared to the same amount in large cities varies, on the average, between 28 and 43 per cent. This means that space of this nature, costing \$100 in large cities, could be purchased in small cities for amounts varying from \$28 to \$43.

TABLE 33

RELATION OF EXPENDITURE FOR RENT TO FLOOR SPACE FOR STORES CLASSIFIED BY SIZE OF CITY IN WHICH LOCATED, FLOORS OCCUPIED, AND AREA INCLUDED, 1919

Nature of Building	Floors Occupied	Number of Stores and Average Amount of Rent per 100 sq. ft. of Floor Space				Per Cent. Which Amount of Rent per 100 sq. ft. of Floor Space in Stores in Small Cities, is of the Amount for the Same Unit of Area in Stores in Large Cities							Per Cent.
		Population Under 40,000		Population 40,000 and over		Per Cent.							
		Number	Amount	Number	Amount	0	10	20	30	40	50	60	
With Basement	Total	83	\$29.31	36	\$70.86								41.4
	First Floor Only	59	32.21	24	81.01								39.8
	First & Second Floors	16	24.61	7	56.71								43.4
	First, Second, & Higher	8	26.85	8	67.58								39.7
Without Basement	Total	240	40.42	62	103.29								39.1
	First Floor Only	201	45.16	50	124.83								36.2
	First & Second Floors	30	29.26	6	104.64								28.0
	First, Second, & Higher	9	34.07	8	61.37								55.5

Details are available for 392 stores in 1919 which show the relation of age of building to the rental cost per 100

square feet of floor space. Table 34 contrasts buildings from this point of view in cities of different size.

Generally speaking, for new buildings—those under 10 years of age—rents per 100 square feet of floor space are approximately three times as high in large as they are in small cities for buildings having basements. The difference is somewhat smaller for buildings having no basements, but here the difference is noticeable.

For cities in the same size group, rents per 100 square feet of floor space, generally decrease with the age of the building, but this is not universally true. Roughly, it may be

said that the margin of difference is greater in large than in small cities. This is a condition which would be expected in view of the few samples included, and the fact that the difference in population of cities included in the group of large cities is undoubtedly greater than in the group of small cities.

This table is not introduced to *prove* that rents are lower because buildings are older, but solely to show that this is true for the stores considered in this study.

TABLE 34

RELATION OF EXPENDITURES FOR RENT TO FLOOR SPACE FOR STORES CLASSIFIED BY SIZE OF CITY IN WHICH LOCATED, AGE OF BUILDING, AND AREA INCLUDED, 1919



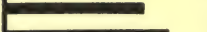
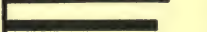

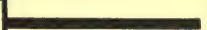
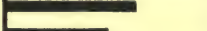
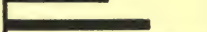
Nature of Building	Age of Building	Number of Stores and Average Amount of Rent per 100 sq. ft. of Floor Space				Per Cent. Which Amount of Rent per 100 sq. ft. of Floor Space in Stores in Small Cities, is of the Amount for the Same Unit of Area in Large Cities	Per Cent.
		Population Under 40,000		Population 40,000 & over			
		Number	Amount	Number	Amount		
						0 10 20 30 40 50 60	
With Basement	Total	75	\$28.87	32	\$74.66		38.7
	Under 10 years	12	32.32	8	102.00		31.7
	10 to 20 years	12	29.12	10	69.40		42.0
	20 to 40 years	36	27.90	10	56.30		49.6
	40 years & over	15	27.55	4	59.90		46.0
Without Basement	Total	229	40.45	56	102.00		39.7
	Under 10 years	32	48.57	7	82.18		59.1
	10 to 20 years	49	38.79	12	97.37		39.8
	20 to 40 years	107	37.74	24	121.55		31.0
	40 years & over	41	42.99	13	96.32		43.7

Table 35 contains a summary of the more significant ratios, developed by this study, which bear upon the relation of rent to floor space. Lack of space makes it impossible to com-

ment further on this relation. Ratios are introduced here for purposes of record and for study by those who are interested.

TABLE 35

RELATION OF EXPENDITURES FOR RENT TO FLOOR SPACE FOR STORES CLASSIFIED
BY SIZE OF CITY IN WHICH LOCATED, POSITION WITHIN CITY, AND
AREA INCLUDED IN FLOOR SPACE OCCUPIED, 1919

Size of City (in 000's)	Location of Store	Treatment of Basement	Stores Reporting on Rent									
			Total		Not on a Car Line		On a Car Line					
			Number	Rent per 100 sq. ft. of Floor Space	Number	Rent per 100 sq. ft. of Floor Space	Total		At a Transfer Point		Not at a Transfer Point	
							Number	Rent per 100 sq. ft. of Floor Space	Number	Rent per 100 sq. ft. of Floor Space	Number	Rent per 100 sq. ft. of Floor Space
Total (Average)	Total (Average)	Total (Average)	424	\$53.61	315	\$51.76	113	\$65.46	49	\$64.53	170	\$59.93
		Included	122	48.47	45	26.24	77	56.62	18	77.69	59	50.59
		Excluded	302	57.93	160	34.72	142	74.86	31	51.78	111	59.36
	On Corner	Total (Average)	89	56.51	39	56.39	50	67.08	12	68.79	28	55.83
		Included	26	55.69	8	37.89	18	62.01	4	59.98	14	62.63
		Excluded	63	57.05	31	35.74	32	71.16	8	76.93	14	69.71
	Not on Corner	Total (Average)	335	52.62	166	50.23	169	64.90	37	59.43	132	57.56
		Included	98	46.42	37	23.04	59	55.00	14	63.02	45	47.18
		Excluded	239	58.28	129	54.34	110	76.41	23	96.27	87	70.07
Under 40	Total (Average)	Total (Average)	323	36.14	201	50.50	122	42.41	22	42.50	100	42.59
		Included	83	29.31	43	24.68	40	33.00	7	24.89	33	32.66
		Excluded	240	40.42	158	53.30	82	50.23	15	47.29	67	50.97
	On Corner	Total (Average)	67	41.96	37	33.94	30	47.89	7	46.99	23	45.22
		Included	15	36.93	8	36.68	9	36.96	2	46.76	7	33.82
		Excluded	52	43.73	31	35.74	21	53.63	5	46.55	16	56.93
	Not on Corner	Total (Average)	256	34.55	164	53.56	92	40.59	15	39.74	77	40.74
		Included	66	27.87	37	23.64	31	32.07	5	29.91	26	32.41
		Excluded	190	59.12	127	32.59	61	48.76	10	48.07	51	49.08
40 and over	Total (Average)	Total (Average)	101	84.42	4	58.98	97	85.37	27	108.76	70	77.09
		Included	39	70.56	2	38.87	37	73.04	11	94.31	26	69.10
		Excluded	62	103.29	2	121.98	60	102.14	16	129.59	44	92.74
	On Corner	Total (Average)	22	77.27	2	36.57	20	82.89	5	98.04	15	79.25
		Included	11	67.99	2	38.07	9	75.57	2	65.22	7	79.69
		Excluded	11	91.07	-	-	11	91.07	3	106.13	8	80.75
	Not on Corner	Total (Average)	79	89.55	2	121.93	77	86.53	22	110.67	55	76.90
		Included	28	72.22	-	-	28	72.22	9	108.64	19	80.28
		Excluded	51	108.19	2	121.98	49	108.66	13	129.77	36	89.52

D.—Summary.

The relation of average yearly expenditures for rent to floor space may be summarized as follows:

(1) The amounts of rent per 100

square feet of floor space increase with the size of the city in which stores are located.

(2) The difference in rental per 100 square feet of floor space

between stores in small and in large cities is more marked for stores not on corners than for those located on corners.

- (3) Stores occupying first floor only pay more rent per 100 square feet of floor space than stores occupying first and ad-

ditional floors. This is true for both small and large cities.

- (4) Rent tends to decrease as the age of the building increases. The margin of difference is relatively greater in large than in small cities.

IV. YEARLY EXPENDITURES FOR WAGES AND SALARIES IN CLOTHING STORES, 1919, 1918, AND 1914

THE questionnaire upon which retail stores reported to the Bureau, included the following question: "How much in wages and salaries did you pay for personal service in 1914, 1918, and 1919?" The personnel of a store was classified into proprietors, employees, and others not active in the business, such as resident buyers and silent partners. Wages and salaries, including bonuses, P.M.'s, commissions, etc., were to be reported for each distinctive type of employee and for all wage and salary classes. It is on the basis of the data furnished in this and similar sections of the questionnaire that the discussion of wages and salaries is based.

Expenditures for salaries cover the three years, 1919, 1918, and 1914, and apply to 378 stores in 1919, 343 in 1918, and 208 in 1914. Together, this experience is equal to records for 929 store-years, \$80,000,000 of total net sales, and \$10,000,000 of wage and salary payments. The data on wage and salary payments were thoroughly checked for accuracy, consistency, and completeness, and withal constitute a body of experience upon which one may safely generalize.

1.—YEARLY EXPENDITURES FOR WAGES AND SALARIES IN RELATION TO TOTAL NET SALES, 1919, 1918, AND 1914.

Stores paid on the average for the three years, 1919, 1918, and 1914,

combined, \$12.48 in wages and salaries for every \$100 of total net sales. In 1919, this amount was \$11.93; in 1918, \$13.14; and in 1914, \$12.91. Relatively, the amount in 1919 was 95.6 per cent. of what it was for the three years combined. In 1918, this relative amount was 105.3, while in 1914 it was 103.4 per cent. During the period 1914 to 1919, the amount in relation to total net sales decreased, although between 1914 and 1918 it increased slightly. These averages are based on approximately \$42,000,000 of sales in 1919; \$27,000,000, in 1918; and \$11,000,000, in 1914. The number of stores, the total net sales, and expenditures for wages and salaries for each of the years and for the combined period are shown in Table 36.

Although, as is shown by Table 36, the amount of expenditure for wages and salaries per \$100 of total net sales decreased over the period 1914 to 1919, the actual amount of wages and salaries per store increased. Total net sales per store also increased during this period, the rate of increase for the entire period being faster than that for wages and salaries, with the consequence that the latter fell in relation to total net sales. These changes for 1919 and 1918, based on 1914, are shown in Table 37.

In both Tables 36 and 37, the number of stores considered varies for each of the years. In Table 38, sim-

TABLE 36

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR ALL STORES CLASSIFIED BY YEARS

Years	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales in All Stores for Each Year, is of the Amount for All Years				Per Cent.
	Number of Store-years	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.				
					0	20	40	60 80 100 120	
Total (Average)	929	\$80,302,705	\$10,021,748	\$12.48					100.0
1919	378	41,718,057	4,977,833	11.93					95.6
1918	343	27,177,741	3,571,310	13.14					105.3
1914	208	11,406,907	1,472,605	12.91					103.4

Average \$12.48

TABLE 37

AVERAGE NET SALES AND EXPENDITURE FOR WAGES AND SALARIES PER STORE FOR 1919, 1918, AND 1914, AND PER CENT. OF CHANGE

Years	Average Total Net Sales per Store			Average Expenditure for Wages and Salaries per Store			Average Expenditure for Wages and Salaries per \$100 of Total Net Sales		
	Amount	Per Cent. Increase over 1914		Amount	Per Cent. Increase over 1914		Amount	Per Cent. Increase or Decrease from 1914	
		Amount	Graphic Per Cent. 0 30 60 90 120		Amount	Graphic Per Cent. 0 30 60 90 120		Amount	Graphic Per Cent. 0 30 60 90 120
1919	\$110,365	101.2		\$13,169	86.0		\$11.93	-7.6	
1918	79,235	44.5		10,412	47.1		13.14	+1.8	
1914	54,841			7,080			12.91		

TABLE 38

AVERAGE AMOUNT OF NET SALES AND OF EXPENDITURE FOR WAGES AND SALARIES PER STORE, AND AVERAGE EXPENDITURE FOR WAGES AND SALARIES PER \$100 OF TOTAL NET SALES, WITH PER CENT. INCREASE OR DECREASE FOR 227 IDENTICAL STORES 1919, 1918, AND 1914

Years	Average Total Net Sales per Store			Average Expenditure for Wages and Salaries per Store			Average Expenditure for Wages and Salaries per \$100 of Total Net Sales		
	Amount	Per Cent. Increase over 1914		Amount	Per Cent. Increase over 1914		Amount	Per Cent. Increase or Decrease from 1914	
		Amount	Graphic Per Cent. 0 40 80 120 160		Amount	Graphic Per Cent. 0 40 80 120 160		Amount	Graphic Per Cent. 0 40 80 120 160
1919	\$117,980	122.8		\$14,354	107.8		\$12.17	-6.7	
1918	82,720	56.2		10,919	58.1		13.20	+1.3	
1914	52,948			6,906			13.04		



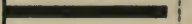
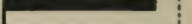


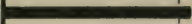

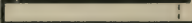

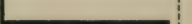

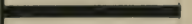

ilar details on sales and expenditures for wages and salaries are shown for identical stores.

In 227 identical stores, the expenditure for wages and salaries per \$100 of total net sales was \$13.04 in 1914; \$13.20 in 1918; and \$12.17 in 1919. Over the whole period, the amounts decreased by \$0.87 or 6.7 per cent., notwithstanding the fact that the actual amount of wages and salaries per store increased from \$6,906

in 1914 to \$14,354 in 1919, or relatively by 107.8 per cent. Sales per store, in this period, also increased, the actual amount of difference between 1914 and 1919 being \$65,032, and the percentage increase, 122.8. Sales increased faster than wages and salaries, the consequent effect being a relative decrease in wages and salaries per \$100 of total net sales. These amounts and relations are shown in Table 38.

TABLE 39

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE, 1919, 1918, AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores							Per Cent.
	Number of Store- years	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	929	\$80,302,705	\$10,021,748	\$12.48								100.0
Under \$20	48	763,386	106,463	13.95								111.8
\$20 to \$40	244	7,340,344	847,042	11.54								92.5
\$40 to \$60	214	10,561,676	1,132,304	10.72								85.9
\$60 to \$80	130	9,021,078	1,073,138	11.90								95.4
\$80 to \$100	82	7,383,052	872,389	11.82								94.7
\$100 to \$140	90	10,613,391	1,337,838	12.61								101.0
\$140 to \$180	44	7,019,014	930,264	13.25								106.2
\$180 to \$220	23	4,548,075	595,742	13.10								105.0
\$220 to \$300	23	6,012,340	800,389	13.31								106.7
\$300 to \$500	21	7,900,859	1,067,838	13.52								108.3
\$500 & over	10	9,139,490	1,258,341	13.77								110.3
Under \$40	292	8,103,730	953,505	11.77								94.3
\$40 to \$80	344	19,582,754	2,205,442	11.26								90.2
\$80 to \$180	216	25,015,457	3,140,491	12.55								100.6
\$180 & over	77	27,600,764	3,722,310	13.49								108.1

Average \$12.48




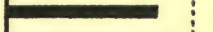
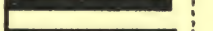
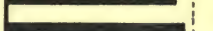


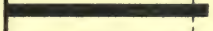

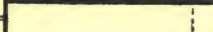
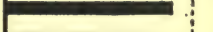

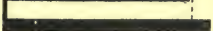

A.—Yearly Expenditures for Wages and Salaries per \$100 of Total Net Sales for Stores Classified by Size, 1919, 1918, and 1914.

In the discussion of the amount of expenditures for wages and salaries per \$100 of total net sales in stores of different size, attention should be drawn to the identity of the proprietor and the sales force in small stores. The proprietor, if not *the* salesman, is at least *one* of them in small stores,

and it is probable that the major, if not his whole return from his business is taken in the form of a salary. This explains, in part at least, the tendency, in each of the three years compared, for the proportion of wages and salaries per \$100 of total net sales to be relatively high for the smallest stores as compared with those which are slightly larger, in contrast to the definite tendency for wages and salaries, when the whole range of sizes

TABLE 40

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE, 1919

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores							Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	378	\$41,718,057	\$4,977,833	\$11.93								100.0
Under \$20	4	62,925	8,452	13.43								112.6
\$20 to \$40	59	1,860,812	197,427	10.61								88.9
\$40 to \$60	93	4,573,086	438,469	9.59								80.4
\$60 to \$80	59	4,108,755	434,343	10.57								88.6
\$80 to \$100	40	3,638,301	385,619	10.87								91.1
\$100 to \$140	50	6,005,705	683,663	11.38								95.4
\$140 to \$180	25	3,984,355	524,504	13.16								110.3
\$180 to \$220	13	2,580,912	326,342	12.64								106.0
\$220 to \$300	15	3,910,928	504,750	12.91								108.2
\$300 to \$500	13	4,864,925	628,053	12.91								108.2
\$500 & over	7	6,127,353	836,211	13.65								114.4
Under \$40	63	1,923,737	205,879	10.70								89.7
\$40 to \$80	152	8,681,841	872,812	10.05								84.2
\$80 to \$180	115	13,628,361	1,603,786	11.77								98.7
\$180 & over	48	17,484,118	2,295,356	13.13								110.1

Average \$11.93

TABLE 41

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF
WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES
CLASSIFIED BY SIZE, 1918

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales		
					Per Cent. 0 20 40 60 80 100 120	
Total (Average)	343	\$27,177,741	\$3,571,310	\$13.14		100.0
Under \$20	19	316,589	43,032	13.59		103.4
\$20 to \$40	102	3,082,516	359,789	11.67		89.8
\$40 to \$60	75	3,679,535	418,831	11.38		86.6
\$60 to \$80	52	3,617,714	442,157	12.22		93.0
\$80 to \$100	29	2,586,376	339,759	13.14		100.0
\$100 to \$140	28	3,253,961	477,653	14.68		111.7
\$140 to \$180	14	2,219,214	308,217	13.89		105.7
\$180 to \$220	7	1,386,406	173,235	12.50		95.1
\$220 to \$300	8	2,101,412	295,639	14.07		107.1
\$300 to \$500	7	2,679,984	387,585	14.46		110.0
\$500 & over	2	2,254,034	325,413	14.44		109.9
Under \$40	121	3,399,105	402,821	11.85		90.2
\$40 to \$80	127	7,297,249	860,988	11.80		89.8
\$80 to \$180	71	8,059,551	1,125,629	13.97		106.3
\$180 & over	24	8,421,836	1,181,872	14.03		106.8

Average \$13.14





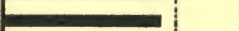

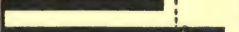
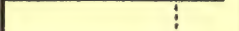
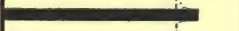
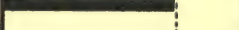

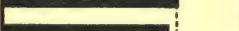

is considered, to increase as the size of the store increases. In this connection, note the details and summary of Tables 39, 40, 41, and 42.

The outstanding fact of Tables 39, 40, 41, and 42 is the increase in wages and salaries per \$100 of total net sales with the increase in the size of stores. The graphic parts of the tables make this conspicuous. For the whole period, 1919, 1918, and 1914, combined, the amounts increase

from a minimum of \$10.72, in stores with net sales between \$40,000 and \$60,000, to \$13.77 in stores with net sales of \$500,000 and over. With the stores grouped as in the lower part of Table 39, the maximum increase is from \$11.26 to \$13.49, a difference of \$2.23 or 19.8 per cent. Similar increases characterize the individual years, although the tendency is not so consistent in 1918 and 1914 as it is in 1919. In 1919, the extremes are

TABLE 42

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF
WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES
CLASSIFIED BY SIZE, 1914

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores								Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.								
					0	20	40	60	80	100	120	140	
Total (Average)	208	\$11,406,907	\$1,472,605	\$12.91									100.0
Under \$20	25	383,872	54,979	14.32									110.9
\$20 to \$40	83	2,397,016	289,826	12.09									93.6
\$40 to \$60	46	2,309,055	275,004	11.91									92.3
\$60 to \$80	19	1,294,609	196,638	15.19									117.7
\$80 to \$100	13	1,158,375	137,011	11.83									91.6
\$100 to \$140	12	1,353,725	176,522	13.04									101.0
\$140 to \$180	5	815,445	97,543	11.96									92.6
\$180 to \$220	3	580,757	96,166	16.56									123.3
\$220 to \$300	-	-	-	-									-
\$300 to \$500	1	355,950	52,200	14.66									113.6
\$500 & over	1	758,103	96,717	12.76									98.8
Under \$40	108	2,780,888	344,805	12.40									96.0
\$40 to \$80	65	3,603,664	471,642	13.09									101.4
\$80 to \$180	30	3,327,545	411,076	12.35									95.7
\$180 & over	5	1,694,810	245,082	14.46									112.0

Average \$12.91

\$10.05 for the lowest, and \$13.13 for the highest amount, or a difference of \$3.08. In 1918 and 1914, respectively, the corresponding figures are \$11.80 and \$14.03, a difference of \$2.23; and \$12.35 and \$14.46, a difference of \$2.11. Tables 40, 41, and 42 show, both in detail and in summary, the relations between total net sales and wages and salaries for the years 1919, 1918, and 1914, separately.

From some points of view a more

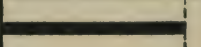
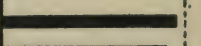
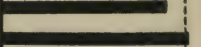
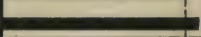

significant comparison of the amount of wages and salaries per \$100 of total net sales for stores of different size for different periods is made by using identical stores. For each year, 227 such stores are used, but from year to year, of course, the stores in each sales-group vary, the position depending upon the sales for the year in question. The average amount of wages and salaries per \$100 of total net sales for these stores is \$12.69 for the three years com-

bined; \$12.17 for 1919; \$13.20 for 1918; and \$13.94 for 1914. Generally speaking, the amounts are larger for the larger stores, the variation for this group of stores being essentially the same for each year as that found to characterize the stores included in Tables 39 to 42, inclusive.

Specifically, the relation of the amount in stores with total net sales of \$180,000 and over to the average of all sizes is 108.1 per cent., for an experience of 929 store-years, representing a varying number of stores for the different years, and 107.1, for an experience of 681 store-years,

TABLE 43

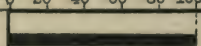
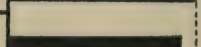
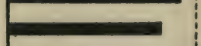
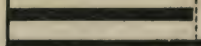

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR 227 STORES, 1919, 1918, AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for 227 Identical Stores of Different Size, is of the Total Amount							Per Cent.
	Number of Store-years	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	0	20	40	60	80	100	120	
Total (Average)	681	\$57,577,926	\$7,304,651	12.69								100.0
Under \$40	228	6,174,226	749,238	12.13								95.6
\$40 to \$80	248	14,133,981	1,613,561	11.42								90.0
\$80 to \$180	154	17,759,072	2,289,582	12.89								101.6
\$180 & over	51	19,510,647	2,652,270	13.59								107.1

Average \$12.69

TABLE 44

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR 227 STORES, 1919

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for 227 Stores of Different Size, is of the Total Amount							Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	0	20	40	60	80	100	120	
Total (Average)	227	\$26,781,379	\$3,258,306	12.17								100.0
Under \$40	33	996,768	111,946	11.23								92.3
\$40 to \$80	88	5,097,487	508,267	9.97								81.9
\$80 to \$180	75	8,832,458	1,057,498	11.97								98.4
\$180 & over	31	11,854,665	1,580,597	13.33								109.5

Average \$12.17



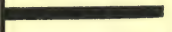
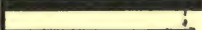

representing 227 identical stores for each of the years. Similar relations hold for stores of other sizes.

The total net sales, total wages and

salaries, and the relation of one to the other are shown for 227 stores by years and by size of stores in Tables 43 to 46.

TABLE 45


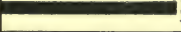
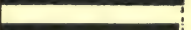

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR 227 STORES, 1918

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for 227 Stores of Dif- ferent Size, is of the Total Amount							Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	227	\$18,777,434	\$2,478,624	\$13.20								100.0
Under \$40	74	2,150,385	255,758	11.89								90.1
\$40 to \$80	90	5,161,808	598,765	11.60								87.9
\$80 to \$180	48	5,504,069	797,510	14.49								109.8
\$180 & over	15	5,961,172	826,591	13.87								105.1

Average \$13.20

TABLE 46

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR 227 STORES, 1914

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for 227 Stores of Dif- ferent Size, is of the Total Amount							Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	227	\$12,019,113	\$1,567,721	\$13.04								100.0
Under \$40	121	3,027,072	381,534	12.60								96.6
\$40 to \$80	70	3,874,686	506,529	13.07								100.2
\$80 to \$180	31	3,422,545	434,576	12.70								97.4
\$180 & over	5	1,694,810	245,082	14.46								110.9

Average \$13.04

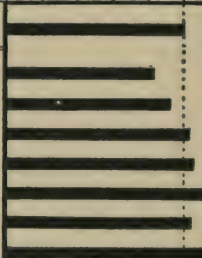
B.—Yearly Expenditures for Wages and Salaries per \$100 of Total Net Sales for Stores Classified by Size of City in Which Located, 1919, 1918, and 1914.*

When stores are compared by size alone, the amounts of wages and salaries per \$100 of total net sales increase directly with sales. The details in the foregoing tables seem to demonstrate this conclusively. An equally certain fact is that this same relation holds for stores of all sizes

when classified by size of city in which they are located. Over the entire range of sizes and from group to group, with one exception, as shown in Table 47, the amounts increase. The average for the three years is \$12.48; the smallest amount is \$10.41 and the largest, \$14.81. The first is 83.4 per cent. and the latter 118.7 per cent. of the average. This and other details are shown in Table 47.

TABLE 47

TOTAL NET SALES, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1919, 1918, AND 1914, COMBINED

Size of City (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores					Per Cent.
	Number of Store-years	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.					
					0	20	40	60	80	
Total (Average)	929	\$80,302,705	\$10,021,748	\$12.48						100.0
Under 10	447	20,901,035	2,175,521	10.41						83.4
10 to 20	128	9,355,032	1,078,261	11.53						92.4
20 to 40	133	12,474,855	1,610,656	12.91						103.4
40 to 120	125	16,614,686	2,195,189	13.21						105.8
120 to 200	40	7,117,153	1,054,404	14.81						118.7
200 to 440	27	7,502,020	981,542	13.08						104.8
440 & over	29	6,337,924	926,175	14.61						117.1

Average \$12.48

When the years are considered separately, the same general tendency, for the amounts to increase with the size of city, holds, but it is less regular. The smallest and larg-

est amounts for the city groups, for each of the years, are, respectively, 1919, \$9.61 and \$14.21; 1918, \$11.16 and \$16.38; and for 1914, \$11.53 and \$14.36.

* Population figures are for 1920.

TABLE 48

TOTAL NET SALES, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1919

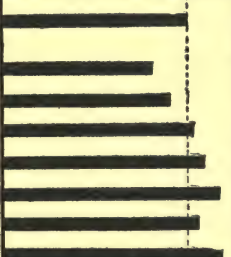




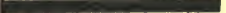


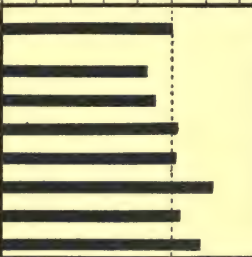
Size of City, (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores					Per Cent.
	Numér	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.					
					0	20	40	60	80	
Total (Average)	378	\$41,718,057	\$4,977,833	\$11.93						100.0
Under 10	184	10,846,591	1,041,984	9.61						80.6
10 to 20	50	4,833,796	522,606	10.81						90.6
20 to 40	53	6,369,448	784,115	12.31						103.2
40 to 120	50	8,663,614	1,133,490	13.08						109.6
120 to 200	16	3,639,362	508,947	13.98						117.2
200 to 440	12	3,764,698	475,046	12.62						105.8
440 & over	13	3,600,548	511,645	14.21						119.1
Average \$11.93										

TABLE 49

TOTAL NET SALES, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1918

Size of City (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores								Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent. 0 20 40 60 80 100 120 140								
Total (Average)	343	\$27,177,741	\$3,571,310	\$13.14									100.0
Under 10	165	6,930,780	773,500	11.16									84.9
10 to 20	47	3,131,662	371,329	11.86									90.3
20 to 40	47	4,100,816	556,778	13.58									103.3
40 to 120	47	5,710,409	767,364	13.44									102.3
120 to 200	15	2,430,966	398,092	16.38									124.7
200 to 440	10	2,701,823	371,015	13.73									104.5
440 & over	12	2,171,285	333,232	15.35									116.8
Average \$13.14													

Of course, in classifying the stores in Tables 47 to 50, inclusive, size is ignored; population of the cities controls the grouping. It is true that the percentage of large stores is greater in large than it is in small cities, and since the amount of wages and salaries per \$100 of total net sales is larger in large stores than in small ones, it follows that the percentage is larger for large than for

small cities. Unlike the condition obtaining with respect to rent in relation to total net sales, the amounts of wages and salaries not only increase as the size of the city increases, but also as the size of the store increases. On the other hand, the amounts of rent increase as the size of the city increases, but decrease as the size of the store increases.

TABLE 50

TOTAL NET SALES, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY, 1914

Size of City (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores in Cities of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales		
Total (Average)	208	\$11,406,907	\$1,472,605	\$12.91	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	100.0
Under 10	98	3,123,664	360,037	11.53	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	89.3
10 to 20	31	1,389,574	184,326	13.26	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	102.7
20 to 40	33	2,004,591	269,763	13.46	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	104.3
40 to 120	28	2,240,663	294,335	13.14	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	101.6
120 to 200	9	1,046,825	147,365	14.08	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	109.1
200 to 440	5	1,035,499	135,481	13.08	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	101.3
440 & over	4	566,091	81,298	14.36	<div> <div></div> <div>0</div> <div>20</div> <div>40</div> <div>60</div> <div>80</div> <div>100</div> <div>120</div> </div>	111.2

Average \$12.91

It may be interesting, in respect to the amount of wages and salaries paid, to compare 227 stores according to the size of city in which located. The three years are combined for this purpose, and the cities are divided into two groups—those with population under 40,000 and those with population of 40,000 and over.

While the average sales per store for the 175 stores in the smaller cities increased from \$39,514 in 1914 to \$82,001 in 1919 or 107.5 per cent., the corresponding amounts and per cents of increase for the 52 stores in the larger group were \$98,157 and \$239,060 or 143.5 per cent. During this same period, the wages and sal-









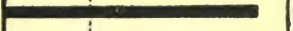
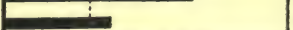

TABLE 51

NET SALES AND EXPENDITURE FOR WAGES AND SALARIES WITH PER CENT.
INCREASE OR DECREASE FOR 227 IDENTICAL STORES, BY YEARS

Size of City (in 000's)	Years	Number of Stores	Net Sales			Wages and Salaries				
			Total	Average Amount per Store		Total	Average Amount per Store		Per \$100 of Total Net Sales	
				Amount	Per Cent. Increase over 1914		Amount	Per Cent. Increase over 1914	Amount	Per Cent. Increase or Decrease
Total (Average)	1919	227	\$26,781,379	\$117,980	122.8	\$3,258,306	\$14,354	107.8	\$12.17	-6.7
	1918	227	19,777,454	82,720	56.2	2,478,624	10,919	56.1	13.20	+1.2
	1914	227	12,019,113	52,948		1,567,721	6,906		13.04	
Under 40	1919	175	14,350,264	82,001	107.5	1,601,769	9,153	83.0	11.16	-11.8
	1918	175	10,167,128	58,098	47.0	1,239,845	7,085	41.7	12.19	-3.7
	1914	175	6,914,953	39,514		875,177	5,001		12.66	
40 and over	1919	52	12,431,115	239,060	143.5	1,656,537	31,856	139.2	13.33	-1.8
	1918	52	9,610,306	185,563	68.7	1,238,779	23,823	78.9	14.39	+6.0
	1914	52	5,104,160	98,157		692,544	13,318		13.57	

TABLE 52

TOTAL WAGES AND SALARIES AND AVERAGE AMOUNT OF WAGES AND SALARIES
PER STORE FOR 227 IDENTICAL STORES CLASSIFIED BY SIZE
OF CITY, 1919, 1918, AND 1914

Size of City (in 000 s)	Years	Stores Reporting on Wages and Salaries			Ratio Which Amount of Wages and Salaries per Store for Each Year, is of the Average for All Stores for the Three Years										Per Cent.
		Number of Store- years	Total Wages and Salaries	Average Amount of Wages and Salaries per Store	Per Cent.										
					0	40	80	120	160	200	240	280	320		
Total (Average)	Total (Average)	681	\$7,304,651	\$10,726											100.0
	1919	227	3,258,306	14,354											133.8
	1918	227	2,478,624	10,919											101.8
	1914	227	1,567,721	6,906											64.4
Under 40	Total (Average)	525	3,716,791	7,080											66.0
	1919	175	1,601,769	9,153											85.3
	1918	175	1,239,845	7,085											66.1
	1914	175	875,177	5,001											46.6
40 and over	Total (Average)	156	3,587,860	22,999											214.4
	1919	52	1,656,537	31,856											297.0
	1918	52	1,238,779	23,823											222.1
	1914	52	692,544	13,318											124.2
					Average \$10,726										

aries per store for the same stores in the smaller cities increased from \$5,001 to \$9,153 or 83.0 per cent., and in the larger cities, from \$13,318 to \$31,856 or 139.2 per cent. The corresponding amounts of wages and salaries per \$100 of total net sales *decreased* in the same stores in the smaller cities from \$12.66 in 1914 to \$11.16 in 1919, or 11.8 per cent.; and in the same stores in the larger cities from \$13.57 in 1914 to \$13.33 in 1919, or 1.8 per cent. In other words, for a given number of stores during the years 1914 to 1919, both sales and wages and salaries rapidly increased, but the amount of the lat-

ter in terms of net sales actually decreased; the per cent. of fall for the stores located in the larger cities being less certain and smaller than for those located in the small cities.

Table 51 shows for 227 identical stores, classified by size of city in which they are located, the relations of the expenditures for wages and salaries to total net sales, together with the increase or decrease, for each group, for 1919 and 1918 as compared with 1914.

The actual and per cent. changes in wages and salaries per store are shown in Table 52 for the years 1919, 1918, and 1914 for the 227 stores di-

TABLE 53

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR 227 IDENTICAL STORES, CLASSIFIED BY SIZE OF CITY, 1919, 1918, AND 1914

Size of City (in 000's)	Years	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Each Year, is of the Amount for All Years							Per Cent
		Number of Store- years	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.							
						20	40	60	80	100	120		
Total (Average)	Total (Average)	681	\$57,577,926	\$7,304,651	\$12.69							100.0	
	1919	227	26,781,379	3,258,306	12.17							95.9	
	1918	227	18,777,434	2,478,624	13.20							104.0	
	1914	227	12,019,113	1,567,721	13.04							102.8	
Under 40	Total (Average)	325	31,432,345	3,716,791	11.82							93.1	
	1919	175	14,350,264	1,601,769	11.16							87.9	
	1918	175	10,167,128	1,239,845	12.19							96.1	
	1914	175	6,914,953	875,177	12.66							99.8	
40 and over	Total (Average)	155	26,145,581	3,587,860	13.72							108.1	
	1919	52	12,431,115	1,656,537	13.33							106.0	
	1918	52	8,610,306	1,238,779	14.39							113.4	
	1914	52	5,104,160	692,544	13.57							106.9	

Average \$12.69

vided according to size of cities in which they are located.

The corresponding facts for the amount of wages and salaries per \$100 of total net sales are given in Table 53.

C.—Yearly Expenditures for Wages and Salaries per \$100 of Total Net Sales for Stores Classified by Size of Store and Size of City in Which Located, 1919, 1918, and 1914.*

Table 54, containing data for 929 store-years, for the period 1919, 1918,

and 1914, combined, shows the relation of wages and salaries per \$100 of total net sales in stores classified both by size and by the population of the city in which they are located.

The tendency for the ratio of wages and salaries to net sales to increase with the amount of sales is again revealed. Moreover, these data, too, support the generalization that the amount of wages and salaries per \$100 of total net sales is greater for stores in large than in small cities. In this case the difference is \$2.35

TABLE 54

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF STORE AND SIZE OF CITY, 1919, 1918, AND 1914, COMBINED

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size, in Cities of Different Size, is of the Amount for All Stores							Per Cent.
		Number of Store-years	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.							
						20	40	60	80	100	120	140	
Total (Average)	Total (Average)	929	\$80,302,707	\$10,021,748	12.48								100.0
	Under \$40	292	8,103,730	953,505	11.77								94.3
	\$40 to \$80	344	19,582,756	2,205,442	11.26								90.2
	\$80 to \$180	216	25,015,457	3,140,491	12.55								100.6
	\$180 & over	77	27,600,764	3,722,310	13.49								108.1
Under 40	Total (Average)	708	42,730,924	4,864,438	11.38								91.2
	Under \$40	274	7,487,493	857,092	11.45								91.7
	\$40 to \$80	279	15,574,711	1,668,419	10.71								85.8
	\$80 to \$180	137	15,591,566	1,836,645	11.78								94.4
	\$180 & over	18	4,077,154	502,282	12.32								96.7
40 and over	Total (Average)	221	37,571,783	5,157,310	13.73								110.0
	Under \$40	18	616,237	96,413	15.65								125.4
	\$40 to \$80	65	4,008,045	537,023	13.40								107.4
	\$80 to \$180	79	9,423,891	1,303,846	13.84								110.9
	\$180 & over	59	23,523,610	3,220,029	13.69								109.7

Average \$12.48

* Population figures are for 1920.

on the average, or \$0.45 more than the difference revealed in Table 53, viz., \$1.90 for the average of the years 1919, 1918, and 1914 for identical stores.

Stores located in small cities, therefore, have an advantage in this particular over those situated in large cities. Similar advantages hold for stores of the same size in cities of

different size. Moreover, the advantage of small stores over large stores in small cities is greater than that held by small stores over large stores in larger places. Just how large these differences and advantages are for the three years, averaged, is shown in Table 54. Tables 55, 56, and 57 show the differences for the years separately.

TABLE 55

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY AND STORE, 1919

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for All Stores of Different Size in Cities of Different Size, is of the Amount for All Stores										Per Cent.
		Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	0	20	40	60	80	100	120	140	160		
Total (Average)	Total (Average)	378	\$41,718,057	\$4,977,833	\$11.93										100.0	
	Under \$40	63	1,923,737	205,879	10.70										89.7	
	\$40 to \$80	152	8,691,841	872,812	10.05										84.2	
	\$80 to \$180	115	13,628,361	1,603,786	11.77										98.7	
	\$180 & over	48	17,484,118	2,295,356	13.13										110.1	
Under 40	Total (Average)	287	22,049,835	2,348,705	10.65										89.3	
	Under \$40	60	1,835,372	189,479	10.32										86.5	
	\$40 to \$80	133	7,476,727	717,335	9.59										86.4	
	\$80 to \$180	79	9,294,982	1,018,821	10.94										91.7	
	\$180 & over	15	3,442,754	425,070	12.35										103.5	
40 and over	Total (Average)	91	19,668,222	2,629,128	13.37										112.1	
	Under \$40	3	88,355	16,400	18.56										155.6	
	\$40 to \$80	19	1,805,114	155,477	12.90										108.1	
	\$80 to \$180	36	4,333,379	566,965	13.55										113.6	
	\$180 & over	33	14,041,364	1,870,286	13.32										111.7	




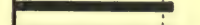







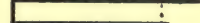
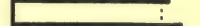
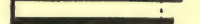

Average \$11.93

Table 58 shows the number of stores having different amounts of wages and salaries per \$100 of total net sales as shown in summary in Table 55. It will suffice, in illustration of the table, to comment briefly on the different amounts shown for stores having total net sales between \$80,000 and \$180,000 in the city-

groups of different size. The average amount for the stores in the smaller cities is \$10.94. The corresponding amount for the other groups is \$13.55. In the first, 45 or 57.0 per cent. of the stores show amounts between \$7.50 and \$12.50; in the second, 15 or 41.7 per cent. of the stores show like amounts.

TABLE 56

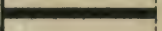
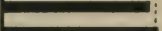
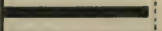
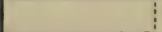
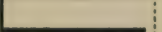
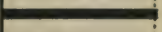
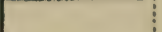
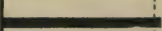
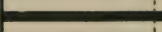


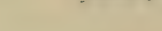

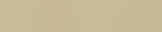

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE OF CITY AND STORE, 1918

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size in Cities of Different Size, is of the Amount for All Stores								Per Cent.
		Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	Per Cent.								
						0	20	40	60	80	100	120	140	
Total (Average)	Total (Average)	543	\$27,177,741	\$3,571,310	13.14									100.0
	Under \$40	121	3,399,105	402,821	11.85									90.2
	\$40 to \$80	127	7,297,249	860,988	11.80									89.8
	\$80 to \$180	71	8,059,551	1,125,629	13.97									106.3
	\$180 & over	24	8,421,836	1,181,872	14.03									106.8
Under 40	Total (Average)	259	14,163,258	1,701,607	12.01									91.4
	Under \$40	116	3,222,322	373,327	11.59									88.2
	\$40 to \$80	97	5,451,471	604,502	11.09									84.4
	\$80 to \$180	43	4,855,065	646,566	13.32									101.4
	\$180 & over	3	654,400	77,212	12.17									92.6
40 and over	Total (Average)	84	13,014,483	1,869,703	14.37									109.4
	Under \$40	5	176,783	29,494	16.68									126.9
	\$40 to \$80	30	1,845,778	256,486	13.90									105.8
	\$80 to \$180	28	3,204,486	479,063	14.95									113.8
	\$180 & over	21	7,787,436	1,104,660	14.19									108.0

Average \$13.14

TABLE 57

TOTAL NET SALES, EXPENDITURE FOR WAGES AND SALARIES, AND AMOUNT OF
WAGES AND SALARIES PER \$100 OF TOTAL NET SALES FOR STORES
CLASSIFIED BY SIZE OF CITY AND STORE, 1914

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Net Sales for Stores of Different Size in Cities of Differ- ent Size is or the Amount for All Stores	Per Cent.
		Number	Total Net Sales	Total Wages and Salaries	Wages & Salaries per \$100 of Total Net Sales	0 20 40 60 80 100 120	
Total (Average)	Total (Average)	208	\$11,406,907	\$1,472,605	\$12.91		100.0
	Under \$40	108	2,780,886	344,805	12.40		96.0
	\$40 to \$80	65	3,603,664	471,642	13.09		101.4
	\$80 to \$180	30	3,327,545	411,076	12.35		95.7
	\$180 & over	5	1,694,810	245,082	14.46		112.0
Under 40	Total (Average)	162	6,517,829	814,126	12.49		96.7
	Under \$40	98	2,429,799	294,286	12.11		93.8
	\$40 to \$80	49	2,646,511	346,582	13.10		101.5
	\$80 to \$180	15	1,441,519	173,258	12.02		93.1
	\$180 & over	-	-	-	-		-
40 and over	Total (Average)	46	4,889,078	658,479	13.47		104.3
	Under \$40	10	351,069	50,519	14.39		111.5
	\$40 to \$80	16	957,153	125,060	13.07		101.2
	\$80 to \$180	15	1,886,026	237,818	12.61		97.7
	\$180 & over	5	1,694,810	245,082	14.46		112.0

Average \$12.91

TABLE 58

NUMBER OF STORES REPORTING CLASSIFIED AMOUNTS OF WAGES AND SALARIES
PER \$100 OF TOTAL NET SALES, BY SIZE OF
CITY AND BY SIZE OF STORE, 1919

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Number of Stores Reporting Classified Amounts of Wages and Salaries per \$100 of Total Net Sales										
		Total	Under \$2.50	\$2.50 to \$5.00	\$5.00 to \$7.50	\$7.50 to \$10.00	\$10.00 to \$12.50	\$12.50 to \$15.00	\$15.00 to \$17.50	\$17.50 to \$20.00	\$20.00 to \$25.00	\$25.00 and over
Total (Average)	Total (Average)	378	2	10	56	103	90	54	43	8	7	5
	Under \$40	63	1	3	8	19	13	10	5	1	-	3
	\$40 to \$80	152	1	6	32	47	36	16	8	2	3	1
	\$80 to \$180	115	-	-	14	29	31	17	16	5	2	1
	\$180 & over	48	-	1	2	8	10	11	14	-	2	-
Under 40	Total (Average)	287	2	10	52	87	72	34	20	2	4	4
	Under \$40	50	1	3	8	18	13	10	4	1	-	2
	\$40 to \$80	133	1	6	30	44	33	9	6	1	2	1
	\$80 to \$180	79	-	-	13	22	23	13	6	-	1	1
	\$180 & over	15	-	1	1	3	3	2	4	-	1	-
40 and over	Total (Average)	91	-	-	4	16	18	20	23	6	3	1
	Under \$40	3	-	-	-	1	-	-	1	-	-	1
	\$40 to \$80	19	-	-	2	3	3	7	2	1	1	-
	\$80 to \$180	36	-	-	1	7	8	4	10	5	1	-
	\$180 & over	33	-	-	1	5	7	9	10	-	1	-

Table 59 shows the distribution of the amounts of expenditures for wages and salaries, per \$100 of total

net sales, for stores having sales between \$80,000 and \$180,000 in cities of different size.

TABLE 59

NUMBER AND PER CENT. OF STORES IN CITIES OF SPECIFIED SIZE AND WITH TOTAL NET SALES OF \$80,000 TO \$180,000, PAYING CLASSIFIED AMOUNTS OF WAGES AND SALARIES PER \$100 OF TOTAL NET SALES, 1919

Yearly Expenditures for Wages and Salaries per \$100 of Total Net Sales	Number and Per Cent. of Stores															
	Population Under 40,000							Population 40,000 and over								
	Number	Per Cent.					Number	Per Cent.								
		Amount	Graphic Per Cent.					Amount	Graphic Per Cent.							
			0	10	20	30	40	50			0	10	20	30	40	50
Total	79	100.0							36	100.0						
Under \$2.50	-	-							-	-						
\$2.50 to \$5.00	-	-							-	-						
\$5.00 to \$7.50	13	16.5							1	2.8						
\$7.50 to \$10.00	22	27.8							7	19.4						
\$10.00 to \$12.50	23	29.0							8	22.2						
\$12.50 to \$15.00	13	16.5							4	11.1						
\$15.00 to \$17.50	6	7.6							10	27.8						
\$17.50 to \$20.00	-	-							5	13.9						
\$20.00 to \$25.00	1	1.3							1	2.8						
\$25.00 & over	1	1.3							-	-						

D.—Summary.

The meaning of the data on the relation of yearly expenditures for wages and salaries per \$100 of total net sales may be summarized briefly as follows:

- (1) The average yearly expenditures for wages and salaries per \$100 of total net sales decreased from 1914 to 1919 for all stores of all sizes, as well as for those of different size.
- (2) The average yearly expendi-

- ture for wages and salaries per \$100 of total net sales increases with the size of store.
- (3) The average yearly expenditure for wages and salaries per \$100 of total net sales increases with the size of city in which the stores are located.
- (4) The average yearly expenditure for wages and salaries per \$100 of total net sales increases with the size of stores

in cities of the same size, the margin of difference being greater for stores of different size in small cities than for stores of different size in large cities.

2.—YEARLY EXPENDITURES FOR WAGES AND SALARIES IN RELATION TO TOTAL EXPENSE.

The relative amount of yearly expenditure for wages and salaries may be expressed in relation to total expense. The minor discrepancies between the itemized and the total expense, as reported by merchants and to which attention was called on pages 126 to 128, do not invalidate such a comparison when the stores are grouped and the amounts averaged. That the errors, if present, are compensating is unmistakably demonstrated by the nature of the results.

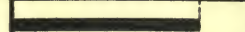

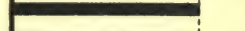

A.—Yearly Expenditures for Wages and Salaries per \$100 of Total Expense, 1919, 1918, and 1914.

The average yearly expenditures for wages and salaries per \$100 of total expense for the three years 1919, 1918, and 1914, combined, is \$55.23. This average is based upon 929 store-years, \$18,000,000 of total expense, and \$10,000,000 of wages and salaries. In 1919, the average amount is \$55.93; in 1918, \$55.21; and in 1914, \$53.06. While the number of stores varies for each of the years, the averages are strikingly the same, the only difference from the average worth mentioning being that for 1914. Even for this year it is only \$2.17 or 3.9 per cent. of the average.

From these data, only one conclusion can be drawn. Relatively, the proportion which expenditures for

TABLE 60

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY YEARS

Years	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for All Stores for Each Year, is of the Amount for All Years							Per Cent.
	Number of Store-years	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	929	\$18,144,141	\$10,021,749	\$55.23								100.0
1919	378	8,900,640	4,977,833	55.93								101.3
1918	343	6,468,085	3,571,310	55.21								100.0
1914	208	2,775,418	1,472,605	53.06								96.1

Average \$55.23

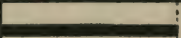



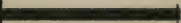
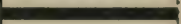
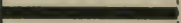
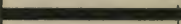


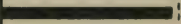
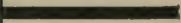

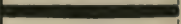

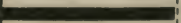
wages and salaries bear to total expense is constant for the period in question. This is true in spite of the fact that both total expense and expense for wages and salaries per store increased from 1914 to 1919. The conditions obtaining for 1919, 1918, and 1914 are shown in Table 60.

B.—Yearly Expenditures for Wages and Salaries per \$100 of Total Expense in Stores Classified by Size, 1919, 1918, and 1914.

Just as forcibly as Tables 26 to 29, inclusive, demonstrate the tendency for expenditures for rent in relation to total expense to decrease as stores

TABLE 61

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1919, 1918, AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number of Store- years	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense		
					Per Cent. 0 20 40 60 80 100 120	
Total (Average)	929	\$18,144,141	\$10,021,748	\$55.23		100.0
Under \$20	45	139,104	106,463	56.30		101.0
\$20 to \$40	244	1,516,046	847,042	55.87		101.2
\$40 to \$60	214	2,076,220	1,132,304	54.54		98.8
\$60 to \$80	130	1,921,475	1,073,138	55.85		101.1
\$80 to \$100	82	1,579,967	872,389	55.22		100.0
\$100 to \$140	90	2,434,052	1,337,838	54.96		99.5
\$140 to \$180	44	1,596,821	930,264	58.26		105.5
\$180 to \$220	23	1,041,181	595,742	57.22		103.6
\$220 to \$300	23	1,489,005	800,389	53.75		97.3
\$300 to \$500	21	2,007,056	1,067,838	53.20		96.3
\$500 & over	10	2,293,214	1,258,341	54.87		99.3
Under \$40	292	1,705,160	953,505	55.92		101.2
\$40 to \$80	344	3,997,695	2,205,442	55.17		99.9
\$80 to \$180	216	5,619,840	3,140,491	55.97		101.3
\$180 & over	77	6,830,456	3,722,310	54.50		98.7

Average \$55.23

increase in size, Tables 61 to 64, inclusive, show for stores of different size the constant relationship which

exists between expenditures for wages and salaries and total expense. Such a condition as is shown in these


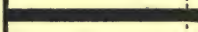
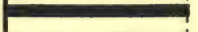
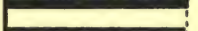


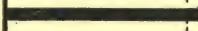

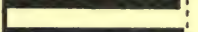

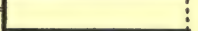

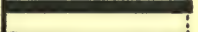
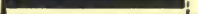
tables could hardly have come about by chance. Its striking persistence undoubtedly expresses a fundamental relationship. It would have been difficult to have selected more thoroughly samples which substantiate this persistence if one had chosen the stores with this thought in mind. Obviously, this was not done. It is equally certain that the data furnished by the reporting stores did not

carry a bias which produced this result. The data are reasonably accurate and complete, and the samples well distributed geographically and according to size of store. This relationship is unquestionably true.

How closely a constant relationship between expenditures for wages and salaries and total expense obtains for stores of different size is shown graphically in Tables 61 to 64.

TABLE 62

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1919

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for Stores of Different Size, is of the Amount for All Stores					Per Cent.
	Number	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense	Per Cent.					
					0	20	40	60	80	
Total (Average)	378	\$8,900,640	\$4,977,833	\$55.93						100.0
Under \$20	4	13,241	8,452	63.83						114.1
\$20 to \$40	59	350,872	197,427	56.27						100.6
\$40 to \$60	93	781,792	438,469	56.09						100.3
\$60 to \$80	59	781,925	434,343	55.55						99.3
\$80 to \$100	40	691,348	395,619	57.22						102.3
\$100 to \$140	50	1,266,775	683,663	53.97						96.5
\$140 to \$180	25	856,696	524,504	61.22						109.5
\$180 to \$220	13	535,730	326,342	60.92						108.9
\$220 to \$300	15	937,526	504,750	53.84						96.3
\$300 to \$500	13	1,137,806	628,053	55.20						98.7
\$500 & over	7	1,546,929	836,211	54.06						96.7
Under \$40	63	364,113	205,879	56.54						101.1
\$40 to \$80	152	1,563,717	872,812	55.82						99.8
\$80 to \$180	115	2,814,819	1,603,786	56.98						101.9
\$180 & over	48	4,157,991	2,295,356	55.20						98.7

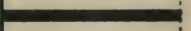

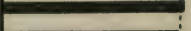

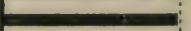
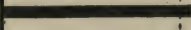



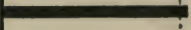

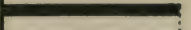
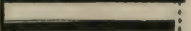

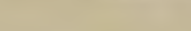
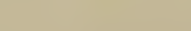
Average \$55.93

It is worth while, in considering the relation of expense for wages and salaries to total expense, to ponder over the showing in these tables. Roughly, expenditures for personal service represent on the average \$55 out of every \$100 spent in conducting a retail clothing store. The absolute amount, of course, increases with the size of the store measured in sales, square feet occupied, or in any other standard one may wish

to choose. However, the relative amount, expressed in proportion to total expense, remains the same for stores of all sizes. Rents, as has been shown on pages 129 and 130, rapidly and consistently decrease as sales increase, when expressed as a percentage of total expense. If this is true, and concerning it the statistical data do not leave us in doubt, then the two major items of expense—rents, and wages and salaries—behave differ-

TABLE 63

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1918

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense		
					0 20 40 60 80 100 120	
Total (Average)	343	\$6,468,085	\$3,571,310	\$55.21		100.0
Under \$20	19	78,657	43,032	54.71		99.1
\$20 to \$40	102	639,037	359,789	56.30		102.0
\$40 to \$60	75	764,520	418,831	54.78		99.2
\$60 to \$80	52	800,709	442,157	55.22		100.0
\$80 to \$100	29	624,650	339,759	54.39		98.5
\$100 to \$140	28	814,633	477,653	58.63		106.2
\$140 to \$180	14	538,387	308,217	57.25		103.7
\$180 to \$220	7	347,146	173,255	49.90		90.4
\$220 to \$300	8	551,479	295,639	53.61		97.1
\$300 to \$500	7	746,850	387,585	51.90		94.0
\$500 & over	2	562,017	325,413	57.90		104.9
Under \$40	121	717,694	402,821	56.13		101.7
\$40 to \$80	127	1,565,229	860,988	55.01		99.6
\$80 to \$180	71	1,977,870	1,125,629	56.92		103.1
\$180 & over	24	2,207,492	1,181,872	53.54		97.0



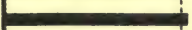
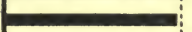

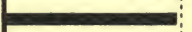
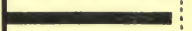



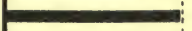
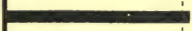
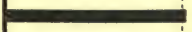
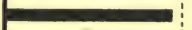
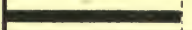
Average \$55.21

ently. The difference in the amounts paid for these two purposes has no bearing on the principles governing

their relation to total expense, for both are expressed in terms of a common unit.

TABLE 64

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY SIZE, 1914

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for Stores of Different Size, is of the Amount for All Stores	Per Cent.
	Number	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense		
					Per Cent. 0 20 40 60 80 100 120	
Total (Average)	208	\$2,775,416	\$1,472,605	\$53.06		100.0
Under \$20	25	97,206	54,979	56.56		106.6
\$20 to \$40	83	526,137	289,826	55.09		103.8
\$40 to \$60	46	529,908	275,004	51.90		97.8
\$60 to \$80	19	338,841	196,638	58.03		109.4
\$80 to \$100	13	263,969	137,011	51.90		97.8
\$100 to \$140	12	352,644	176,522	50.06		94.3
\$140 to \$180	5	201,738	97,543	48.35		91.1
\$180 to \$220	3	158,305	96,165	60.75		114.5
\$220 to \$300	-	-	-	-		-
\$300 to \$500	1	122,400	52,200	42.65		80.4
\$500 & over	1	184,268	96,717	52.49		98.9
Under \$40	108	623,343	344,805	55.32		104.3
\$40 to \$80	65	868,749	471,642	54.29		102.3
\$80 to \$180	30	818,351	411,076	50.23		94.7
\$180 & over	5	464,973	245,082	52.71		99.3

Average \$53.06

C.—Yearly Expenditures for Wages and Salaries per \$100 of Total Expense in Stores Classified by Geographical Divisions, 1919, 1918, and 1914.

The details in Tables 61 to 64 are given by years for the United States as a whole. Geographical differences

or peculiarities, if they exist, are smoothed out in a general average. But geographical differences in the relation of expenditure for wages and salaries to total expense cannot be said to exist. There is nothing local nor provincial about this relationship, as there was, for instance, in

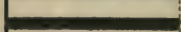
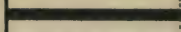
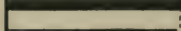
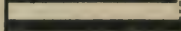

the relationship between charge sales, returned goods, or outstanding accounts and total net sales as shown in Volume I, or for rent in relation to total expense, as shown on pages 130 and 131 of this study. In the latter case, the geographical differences were startling—the extreme differences being approximately 36 per cent. For wages and salaries, the largest geographical difference is 8 per cent., when the three-year experience is combined, and only

slightly larger when the years are averaged separately. Wages and salaries and total expense vary directly and in almost equal proportions, not only for the country as a whole, but also for each of the divisions.

Table 65 shows for the three years 1919, 1918, and 1914, combined, the relation of average yearly expenditures for wages and salaries to total expense for the country as a whole and for the divisions separately.

TABLE 65

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY GEOGRAPHICAL DIVISIONS, 1919, 1918, AND 1914, COMBINED

Geographical Divisions	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for Each Division, is of the Amount for All Divisions							Per Cent.
	Number of Store-years	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	929	\$18,144,141	\$10,021,748	\$55.23								100.0
The East	144	2,455,667	1,362,066	55.47								100.4
The South	137	4,019,046	2,264,049	56.33								102.0
East North Central	269	4,650,724	2,521,485	54.22								98.2
West North Central	237	4,069,863	2,325,303	57.13								103.4
The West	92	2,948,841	1,548,845	52.52								95.1

Average \$55.23

Table 66 shows the same relation for each of the divisions for the years separately. It is true that the ratios are somewhat larger in the West North Central, and slightly smaller in the West than they are in the other divisions, but the differences between these sections are small relatively, and almost of negligible amount when compared with the average for

the country as a whole. Differences of this kind between averages for districts so remote and in a country so large may easily be explained by the paucity of the samples. In a very real and definite sense, therefore, it may be said that there are no geographical peculiarities in these important expense distribution ratios.

TABLE 66

TOTAL EXPENSE, TOTAL WAGES AND SALARIES, AND AMOUNT OF WAGES AND SALARIES PER \$100 OF TOTAL EXPENSE FOR STORES CLASSIFIED BY GEOGRAPHICAL DIVISIONS AND BY YEARS

Geographical Divisions	Years	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries per \$100 of Total Expense for All Divisions and for Each Division, is for Each of the Years, Based on the Average	Per Cent.
		Number of Store-years	Total Expense	Total Wages and Salaries	Wages & Salaries per \$100 of Total Expense	Per Cent.	
						0 20 40 60 80 100 120	
Total (Average)	Total (Average)	929	\$18,144,141	\$10,021,748	\$55.23		100.0
	1919	378	8,900,640	4,977,833	55.93		101.3
	1918	343	6,468,085	3,571,310	55.21		100.0
	1914	208	2,775,416	1,472,605	53.06		96.1
The East	Total (Average)	144	2,455,667	1,362,066	55.47		100.4
	1919	54	1,135,621	632,504	55.70		100.9
	1918	53	874,590	480,940	54.99		99.6
	1914	37	445,456	248,622	55.81		101.0
The South	Total (Average)	137	4,019,046	2,264,049	56.33		102.0
	1919	59	1,998,652	1,148,369	57.46		104.0
	1918	52	1,472,923	817,951	55.53		100.5
	1914	26	547,471	297,729	54.38		98.5
East North Central	Total (Average)	269	4,650,724	2,521,485	54.22		98.2
	1919	110	2,343,997	1,265,972	54.01		97.8
	1918	98	1,650,702	914,034	55.37		100.3
	1914	61	656,025	341,479	52.05		94.2
West North Central	Total (Average)	287	4,069,863	2,325,303	57.13		103.4
	1919	118	1,986,044	1,159,942	58.40		105.7
	1918	105	1,449,752	820,696	56.61		102.5
	1914	64	634,067	344,665	54.36		98.4
The West	Total (Average)	92	2,948,841	1,548,845	52.52		95.1
	1919	37	1,436,326	771,046	53.68		97.2
	1918	35	1,020,118	537,689	52.71		95.4
	1914	20	492,397	240,110	48.76		89.3

Average \$55.23

D.—Summary.

Section 2, showing the relation of expenditures for wages and salaries to total expense may be summarized, in the briefest way, as follows:

- (1) The average yearly expenditures for wages and salaries per \$100 of total expense remained essentially constant during the years 1919, 1918, and 1914; the amount for 1914, which represented the largest difference, being but 3.9 per cent. smaller than the average for the three-year period.
- (2) The average yearly expenditures for wages and salaries per \$100 of total expense remain essentially constant for stores classified by amount of total net sales. This is true not only for the three years 1919, 1918, and 1914, combined, but also for the years separately.
- (3) The average yearly expenditures for wages and salaries per \$100 of total net sales do not vary appreciably for stores classified by geographical divisions for the three years 1919, 1918, and 1914, combined, nor for the stores similarly classified, for each of the years separately.

3.—DISTRIBUTION OF WAGES AND SALARIES ACCORDING TO CLASSES RECEIVING THEM.

Data are available for an analysis of the distribution, among different

classes receiving them, of expenditures for wages and salaries in clothing stores for the period reviewed in this study. It has seemed wise to utilize all of the stores reporting any portion of the data needed for this purpose, and, therefore, it is impossible to add together the amounts for the various classes of wage and salary takers and expect the total to equal \$100. This is not a study of the distribution of a given payroll among a certain number of employees, but rather an analysis of the relations which the total wages and salaries of any class bear to the total wage and salary payments made by the stores reporting this class. The number of stores, as well as the individual and total wage and salary expense, utilized in making the comparisons, changes. In the analysis of this subject, as well as the others which are treated, the aim is to describe the standards which obtain for any group. These standards are expressed in this case in the unit \$100 of total wage and salary expense.

In Table 67 the amounts of wages and salaries, per \$100 of total wages and salaries, paid to each major class receiving compensation, are presented for the three-year experience, 1919, 1918, and 1914, combined. Proprietors, on the basis of approximately \$8,000,000 of total wage and salary payment for the three years combined, received \$39.28 for every \$100 of compensation paid. Stated in this way, proprietors receive more than any other group. Next to them,

in relation to the amount received per \$100 of total wages and salaries, stand regular salesmen. It is not necessary to describe Table 67 in detail;

the relations may best be seen by consulting the table itself.

The amounts in wages and salaries paid to the major groups receiving

TABLE 67

RELATION OF YEARLY EXPENDITURES FOR WAGES AND SALARIES OF SPECIFIED CLASSES TO THE TOTAL WAGES AND SALARIES PAID, 1919, 1918, AND 1914, COMBINED

Classes Receiving Wages and Salaries	Stores Reporting Wages and Salaries to Specified Classes				Ratio Which Amount of Wages and Salaries to Specified Classes is per \$100 of Total Wages and Salaries Paid				
	Number of Store-years	Total Wages and Salaries	Wages & Salaries to Specified Classes	Amount per \$100 of Total Wages & Salaries	\$0	\$10	\$20	\$30	\$40
Proprietors	688	\$7,709,972	\$3,028,536	\$39.28					
Regular Salesmen	474	4,809,380	1,747,019	36.33					
Buyers	26	989,068	165,341	16.72					
Tailors & Bushelmen	285	4,655,443	528,750	11.36					
Bookkeepers & Cashiers	271	5,412,708	313,596	5.79					
Window Trimmers & Advertising Men	84	2,531,839	122,925	4.86					
Extra Salesmen	200	2,370,589	111,562	4.71					
Wrapping, Receiving & Delivery Clerks	73	2,392,072	92,777	3.88					

such compensation and the proportion which the amount going to any class is of the total paid for personal service, are given in Table 68 for each of the years 1919, 1918, and 1914, separately and combined. The relations between the various classes are emphasized in the graphic part of Table 67, while in Table 68 the changes from year to year for each class are contrasted.

The proportion of total wages and salaries which goes to any particular class may be shown for stores classified by size and by years. Table 68 shows that the proportions increased

































for some and decreased for other classes during the period 1914 to 1919. Were these increases and decreases uniform for stores of the same size from year to year, and were the proportions the same for stores of different size for each year? These questions are answered in Table 69.*

Based on the total wages and salaries paid, proprietors, in stores of all sizes combined, received proportion-

* In this table, the number of stores differs from that used in Table 68, because some of those used in the latter table did not report their sales.

TABLE 68

RELATION OF YEARLY EXPENDITURE FOR WAGES AND SALARIES OF SPECIFIED CLASSES TO THE TOTAL WAGES AND SALARIES PAID, 1919, 1918, AND 1914.

Classes Receiving Wages & Salaries	Years	Stores Reporting Wages and Salaries to Specified Classes									
		Number of Store-years	Total Wages and Salaries	Wages & Salaries to Specified Classes	Amount of Wages and Salaries to Specified Classes per \$100 of Total Wages and Salaries						
					Actual	Graphic					
						\$0	\$10	\$20	\$30	\$40	\$50
Proprietors	Total (Average)	688	\$7,709,972	\$3,028,536	\$39.28						
	1919	276	3,909,983	1,504,059	38.47						
	1918	252	2,765,424	1,076,746	38.94						
	1914	160	1,034,565	447,731	43.28						
Salesmen (Regular)	Total (Average)	474	4,809,380	1,747,019	36.33						
	1919	193	2,336,215	867,881	37.15						
	1918	172	1,672,190	616,710	36.88						
	1914	109	800,975	262,428	32.76						
Buyers	Total (Average)	26	989,068	165,341	16.72						
	1919	11	508,081	84,354	16.60						
	1918	10	362,677	60,794	16.76						
	1914	5	118,360	20,193	17.06						
Tailors and Bushelmen	Total (Average)	285	4,655,443	528,750	11.36						
	1919	119	2,398,417	266,546	11.11						
	1918	104	1,683,131	186,926	11.11						
	1914	62	573,895	75,278	13.12						
Bookkeepers and Cashiers	Total (Average)	271	5,412,708	313,586	5.79						
	1919	116	2,783,554	159,971	5.75						
	1918	104	2,012,559	114,317	5.68						
	1914	51	616,595	39,298	6.37						
Window Trimmers and Advertising Men	Total (Average)	84	2,531,839	122,925	4.86						
	1919	40	1,393,167	66,721	4.79						
	1918	34	981,903	49,080	5.00						
	1914	10	156,769	7,124	4.54						
Salesmen (Extra)	Total (Average)	200	2,370,589	111,562	4.71						
	1919	85	1,210,506	54,260	4.48						
	1918	74	850,892	45,126	5.30						
	1914	41	309,191	12,176	3.94						
Wrapping, Receiving, and Delivery Clerks	Total (Average)	73	2,392,072	92,777	3.88						
	1919	32	1,251,799	47,754	3.81						
	1918	27	907,378	36,317	4.00						
	1914	14	232,895	8,726	3.75						

ately less in 1919 than in either of the earlier years. The amounts decreased from \$42.70 in 1914 to \$37.31 in 1919. On the other hand, when the stores are grouped by size, the amounts, in relation to total wages and salaries paid, are higher in 1919 than for either of the earlier years. This seemingly anomalous condition, of course, is to be explained by the changing proportions each year in which large and small stores abound, and suggests at once the uncertain and misleading character of an average figure which is derived from combining unlike things or from uniting like things when the proportions

of the parts are radically different. The averages for the individual store-groups are much superior to those for all stores combined.

While the averages for all stores for each of the years are of little value, those for the different store-groups in each of the years may be taken as unmistakably showing that the proportion of the total wages and salaries paid, which goes to proprietors, decreases in each year as the stores increase in size. It is worthy of note that this decrease is essentially uniform, although the number of stores considered is different each year.

TABLE 69

RELATION OF TOTAL WAGES AND SALARIES PAID SPECIFIED CLASSES IN STORES
CLASSIFIED BY TOTAL NET SALES, 1919, 1918, AND 1914

Classes Receiving Wages & Salaries	Classified Total Net Sales (in 000's)	1919					1918					1914				
		Number of Stores	Amount of Wages & Salaries to Specified Classes per \$100 of Total Wages & Salaries				Number of Stores	Amount of Wages & Salaries to Specified Classes per \$100 of Total Wages & Salaries				Number of Stores	Amount of Wages & Salaries to Specified Classes per \$100 of Total Wages & Salaries			
			Actual	Graphic				Actual	Graphic				Actual	Graphic		
			\$0	\$20	\$40	\$60		\$0	\$20	\$40	\$60		\$0	\$20	\$40	\$60
Proprietors	Total (Average)	262	\$37.31				256	\$39.60				256	\$42.70			
	Under \$40	37	59.01				76	57.71				71	57.19			
	\$40 to \$80	106	52.47				90	47.00				45	44.55			
	\$80 to \$160	81	40.49				53	37.17				17	32.03			
	\$160 & over	38	28.39				17	27.41				5	26.50			
Regular Salesmen	Total (Average)	181	37.50				160	36.56				98	37.99			
	Under \$40	30	56.36				55	56.70				52	37.32			
	\$40 to \$80	75	56.47				61	35.07				32	37.76			
	\$80 to \$160	56	39.83				53	36.23				12	41.18			
	\$160 & over	20	36.11				11	34.11				2	29.35			
Cashiers	Total (Average)	117	11.08				101	11.13				60	15.17			
	Under \$40	13	16.65				21	13.46				21	16.04			
	\$40 to \$80	36	13.42				26	14.93				24	14.65			
	\$80 to \$160	43	11.22				31	10.69				12	11.30			
	\$160 & over	26	10.54				14	9.67				3	10.59			
Extra Salesmen	Total (Average)	85	4.47				71	4.54				39	5.65			
	Under \$40	9	6.58				17	6.63				17	4.06			
	\$40 to \$80	32	4.76				32	6.55				15	3.97			
	\$80 to \$160	30	7.06				14	4.98				8	5.11			
	\$160 & over	12	2.25				8	2.35				1	4.60			

While the amounts of the total wages and salaries paid, which go to regular salesmen, as shown in Table 69, are slightly different for each year from those given in Table 68, and show a decrease rather than an increase between 1914 and 1919, the details do reveal the interesting fact that the proportion each year, when expressed in terms of the total payroll, increases with the size of the stores. That is, the reverse condition from that found for proprietors obtains here. The differences are not so great for regular salesmen as they are for proprietors, but they are large enough to establish the tendency. In other words, the proportion which total wages and salaries constitute of total expense is essentially constant for stores of different size, but the proportion of total wages and salaries paid to regular salesmen increases

with the size of the store when measured in total net sales.

It is unnecessary to comment on the relations between total wages and salaries, and the wages and salaries paid to other employees in relation to stores of different size. Details concerning them are contained in Table 69.

A somewhat different analysis of the wages and salaries paid to regular salesmen is made in Table 70. The details answer the question: Do the ratios between wages and salaries paid to this class of employees and total net sales increase or decrease with the size of stores? An increase is unmistakable if the whole range of store sizes is included. If comparison is made from group to group the tendency is somewhat erratic. It is interesting to note that the increase here noted for regular salesmen fol-

TABLE 70

RELATION OF YEARLY EXPENDITURES FOR WAGES AND SALARIES OF REGULAR SALESMEN TO TOTAL NET SALES FOR STORES CLASSIFIED BY SIZE, 1919, 1918, AND 1914, COMBINED

Classified Total Net Sales (in 000's)	Stores Reporting on Wages and Salaries				Ratio Which Amount of Wages and Salaries to Regular Salesmen per \$100 of Total Net Sales for Stores of Different Size, is of the Amount for All Stores							Per Cent.
	Number of Store- years	Total Net Sales	Wages & Salaries to Regular Salesmen	Amount per \$100 of Total Net Sales	Per Cent.							
					0	20	40	60	80	100	120	
Total (Average)	439	\$35,155,669	\$1,678,570	\$4.77	<div></div>							100.0
Under \$40	137	3,874,051	183,800	4.74	<div></div>							99.4
\$40 to \$80	168	9,580,117	409,837	4.28	<div></div>							89.7
\$80 to \$180	101	11,530,785	583,222	5.06	<div></div>							106.1
\$180 & over	33	10,170,716	511,711	5.03	<div></div>							105.5

Average \$4.77

lows rather closely the increase shown in Table 39 for all those who receive wages and salaries. Table 70 shows the relation which wages and salaries paid to regular salesmen bear to \$100 of total net sales in stores of different size. For this purpose the three years 1919, 1918, and 1914 are combined.

A.—Summary.

This section may be summarized as follows:

- (1) Out of every \$100 of total wages and salaries paid during the years 1919, 1918, and 1914, combined, proprietors received \$39.28. When all stores are averaged, this proportion decreased from 1914 to 1919.*
- (2) The proportion of total wages and salaries which is paid to proprietors decreases with the increase in size of stores.
- (3) The proportion of total wages and salaries paid to regular salesmen is approximately as large as that paid to proprietors and increases slightly with the size of store.
- (4) The proportion of total wages and salaries paid to tailors and bushelmen decreased between 1914 and 1919, and varies inversely with the total net sales of stores.

* See, however, Table 69 for conditions under which the proportion going to this class increases.

4.—METHODS BY WHICH EMPLOYEES ARE PAID.

The method of paying employees is closely connected with the amount of wages and salaries and their distribution among different classes to whom they are paid. In the discussion of this topic, the aim is to set out the current practices in the stores reporting, so that merchants may judge for themselves whether there is anything in them which should determine their policy in this respect. The data are presented in two ways: first, stores are classified on the basis of the presence or absence of bonus schemes for different types of employees; and, second, according to the association of bonus schemes and other methods of compensation. Unfortunately, no data are available which will show the characteristic features of the bonus schemes used.

A.—Bonuses in Relation to Occupations in Clothing Stores.

Table 71 shows the number of stores of different size which reported the methods of compensating their employees. The number is probably too small for some occupations and clearly inadequate for some store-groups, when classified by size, to serve as a basis for generalizations as to the practices obtaining in the retail clothing trade generally, or in the membership of the National Association of Retail Clothiers. The number of stores is given so that the reader may know the amount of information which was used in each case.

TABLE 71

NUMBER OF STORES, CLASSIFIED BY AMOUNT OF TOTAL NET SALES, FOR WHICH
THE METHODS OF COMPENSATING SPECIFIED EMPLOYEES
ARE REPORTED, 1919

Classified Total Net Sales (in 000's)	Number of Stores						
	Buyers	Regular Salesmen	Extra Salesmen	Bookkeepers	Cashiers	Advertising Men	Tailors & Bushelmen
Total (Average)	127	471	241	256	113	55	227
Under \$40	5	61	24	11	1	-	11
\$40 to \$80	28	161	81	58	12	3	52
\$80 to \$180	40	144	74	108	40	22	91
\$180 & over	46	69	49	67	55	38	61
Sales not reported	8	36	13	12	5	2	12

The proportion of the stores reporting bonus schemes and no bonus schemes for different types of occupations is summarized in Table 72. Relatively, advertising men, regular salesmen, and cashiers more commonly receive bonuses than do the

other classes named, when all of the stores are considered; but even for these positions, bonuses are not found in more than approximately 20 to 25 per cent. of the stores reporting. Generally speaking, however, in any single store, if a bonus scheme is in

TABLE 72

NUMBER AND PER CENT. OF STORES REPORTING, FOR SPECIFIED TYPES OF
OCCUPATIONS, PRESENCE OR ABSENCE OF BONUS SCHEMES

Types of Occupations	Stores Reporting					
	Number			Per Cent.		
	Total	Having a Bonus	Having no Bonus	Total	Having a Bonus	Having no Bonus
Buyers	127	38	89	100.0	29.9	70.1
Advertising Men	55	16	49	100.0	24.6	75.4
Regular Salesmen	471	106	365	100.0	22.5	77.5
Cashiers	113	23	90	100.0	20.4	79.6
Bookkeepers	256	47	209	100.0	18.4	81.6
Tailors & Bushelmen	227	25	202	100.0	11.0	89.0
Extra Salesmen	241	13	228	100.0	5.4	94.6

effect, all regular employees share in its benefits. On the other hand, extra salesmen and tailors, paid on a piece-rate basis, do not, as a rule, share in such benefits.

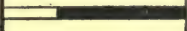
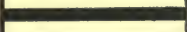




Tables 73 to 79 show for certain types of employees—for which sufficient data were received to justify special mention—the number of stores of different size which reported the presence or absence of a bonus for employees in addition to other types

of compensation. The tables reveal the following facts:

- (1) The majority of stores have no bonus schemes.
- (2) Where bonus schemes are found, they are generally restricted to the larger stores.
- (3) Bonus schemes are relatively more common for buyers, regular salesmen, bookkeepers, and advertising men, than for other classes of employees.

TABLE 73

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING BUYERS, WHICH PAY OR DO NOT PAY BONUSES TO SUCH EMPLOYEES, 1919

Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0	100
Total (Average)	127	38	29.9	89	70.1		
Under \$40	5	-	-	5	100.0		
\$40 to \$80	28	2	7.1	26	92.9		
\$80 to \$180	40	9	22.5	31	77.5		
\$180 & over	46	24	52.2	22	47.8		
Sales not reported	8	3	37.5	5	62.5		

B.—Methods of Compensating Employees in Relation to Bonus Schemes and P.M.'s.

Table 80 shows the methods by which different types of employees are compensated, and the manner in which bonus schemes are combined with other forms of remuneration.

Most stores pay their employees straight salaries. Some stores report

other methods, but the number does not constitute more than 25 per cent. for any one class, and usually the percentage is distinctly less. Relatively, salaries and commissions are more commonly reported for buyers and regular salesmen than for other occupations, but for neither of these classes does the proportion of stores, paying such type of compensation,

TABLE 74

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING
REGULAR SALESMEN, WHICH PAY OR DO NOT PAY BONUSES TO SUCH
EMPLOYEES, 1919

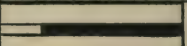
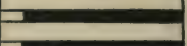
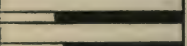
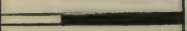
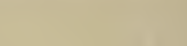
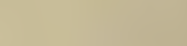
Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0 20 40 60 80 100	Per Cent.
Total (Average)	471	106	22.5	555	77.5		
Under \$40	61	8	13.1	53	86.9		
\$40 to \$80	161	19	11.8	142	88.2		
\$80 to \$180	144	43	29.9	101	70.1		
\$180 & over	69	24	34.8	45	65.2		
Sales not reported	36	12	33.3	24	66.7		

TABLE 75

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING
EXTRA SALESMEN, WHICH PAY OR DO NOT PAY BONUSES TO SUCH
EMPLOYEES, 1919

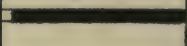
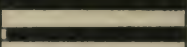
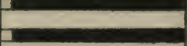
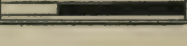
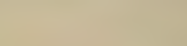

Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0 20 40 60 80 100	Per Cent.
Total (Average)	241	13	5.4	228	94.6		
Under \$40	24	-	-	24	100.0		
\$40 to \$80	81	2	2.5	79	97.5		
\$80 to \$180	74	4	5.4	70	94.6		
\$180 & over	49	3	6.1	46	93.9		
Sales not reported	13	4	30.7	9	69.3		

TABLE 76

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING BOOKKEEPERS, WHICH PAY OR DO NOT PAY BONUSES TO SUCH EMPLOYEES, 1919

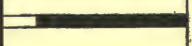

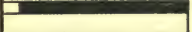
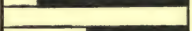

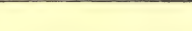
Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0 20 40 60 80 100	Per Cent.
Total (Average)	256	47	18.4	209	81.6		
Under \$40	11	-	-	11	100.0		
\$40 to \$80	58	5	8.6	53	91.4		
\$80 to \$180	108	20	18.5	88	81.5		
\$180 & over	67	17	25.4	50	74.6		
Sales not reported	12	5	41.7	7	58.3		

TABLE 77

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING CASHIERS, WHICH PAY OR DO NOT PAY BONUSES TO SUCH EMPLOYEES, 1919

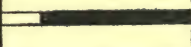
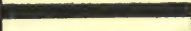

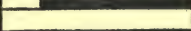
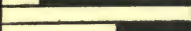
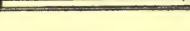
Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0 20 40 60 80 100	Per Cent.
Total (Average)	113	23	20.4	90	79.6		
Under \$40	1	-	-	1	100.0		
\$40 to \$80	12	1	8.3	11	91.7		
\$80 to \$180	40	8	20.0	32	80.0		
\$180 & over	55	11	20.0	44	80.0		
Sales not reported	5	3	60.0	2	40.0		

TABLE 78

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING
ADVERTISING MEN, WHICH PAY OR DO NOT PAY BONUSES TO SUCH
EMPLOYEES, 1919

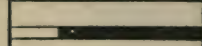
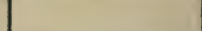
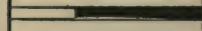

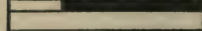

Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0 20 40 60 80 100	Per Cent.
Total (Average)	65	16	24.6	49	75.4		
Under \$40	-	-	-	-	-		
\$40 to \$80	3	1	33.3	2	66.7		
\$80 to \$180	22	4	18.2	18	81.8		
\$180 & over	38	10	26.3	28	73.7		
Sales not reported	2	1	50.0	1	50.0		

TABLE 79

NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE AND EMPLOYING
TAILORS AND BUSHELMEN, WHICH PAY OR DO NOT PAY BONUSES
TO SUCH EMPLOYEES, 1919

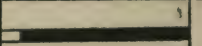
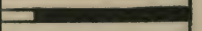
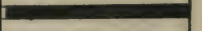
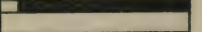
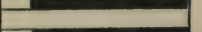
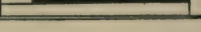
Classified Total Net Sales (in 000's)	Number of Stores Reporting	Number and Per Cent. of Stores				Per Cent. of Stores with and without Bonus	
		With Bonus		Without Bonus		With	Without
		Number	Per Cent.	Number	Per Cent.	0 20 40 60 80 100	Per Cent.
Total (Average)	227	25	11.0	202	89.0		
Under \$40	11	2	18.2	9	81.8		
\$40 to \$80	52	2	3.8	50	96.2		
\$80 to \$180	91	9	9.9	82	90.1		
\$180 & over	61	10	16.4	51	83.6		
Sales not reported	12	2	16.7	10	83.3		

TABLE 80

NUMBER AND PER CENT. OF STORES PAYING DIFFERENT CLASSES OF EMPLOYEES
BY SPECIFIED METHODS

Classes of Employees	Method of Compensation	Number of Stores Reporting	Per Cent.	Proportion of Stores Paying in Addition to Other Compensation													
				A Bonus						No Bonus							
				Amount	0	20	40	60	80	100	Amount	0	20	40	60	80	100
Buyers	Total	187	100.0	29.9								70.1					
	Salary	108	85.0	30.6								69.4					
	Salary & Commission	13	14.2	27.8								72.2					
	Commission only	1	0.8	-								100.0					
	Other	-	-	-								-					
Advertising Men	Total	55	100.0	24.6								75.4					
	Salary	62	95.4	25.8								74.2					
	Salary & Commission	3	4.6	-								100.0					
	Commission only	-	-	-								-					
	Other	-	-	-								-					
Regular Salesmen	Total	471	100.0	22.5								77.5					
	Salary	366	77.7	24.3								75.7					
	Salary & Commission	97	20.6	16.5								83.5					
	Commission only	8	1.7	12.5								87.5					
	Other	-	-	-								-					
Cashiers	Total	113	100.0	20.3								79.7					
	Salary	112	99.1	19.6								80.4					
	Salary & Commission	1	0.9	-								100.0					
	Commission only	-	-	-								-					
	Other	-	-	-								-					
Bookkeepers	Total	256	100.0	18.4								81.6					
	Salary	250	97.7	18.4								81.6					
	Salary & Commission	5	2.0	20.0								80.0					
	Commission only	-	-	-								-					
	Other	1	0.3	-								100.0					
Tailors & Dressmakers	Total	227	100.0	11.0								89.0					
	Salary	177	78.0	13.0								87.0					
	Salary & Commission	3	1.3	66.7								33.3					
	Commission only	4	1.8	-								100.0					
	Other	43	18.9	-								100.0					
Extra Salesmen	Total	241	100.0	5.4								94.6					
	Salary	220	91.3	5.5								94.5					
	Salary & Commission	16	6.6	6.3								93.7					
	Commission only	5	2.1	-								100.0					
	Other	-	-	-								-					





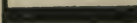










exceed approximately 14 per cent. of the total. This method of compensating bookkeepers, cashiers, and tailors and bushelmen is almost never reported. Commissions alone are paid buyers, regular and extra salesmen, and tailors and bushelmen, but these are exceptions even for these classes.

When the various methods of compensation are considered in connec-

tion with bonuses, it is found that bonuses are given in not more than about 25 per cent. of the stores as a maximum, and, when given, are generally associated with straight salaries, and salaries and commissions. It is difficult to summarize, in a word, the practices for each of the occupations, and the reader is advised to study the details themselves.

TABLE 81

STORES REPORTING AND NUMBER AND PER CENT. OF STORES, CLASSIFIED BY SIZE OF CITY AND SIZE OF STORE, WHICH USE P.M.'s, 1919

Size of City (in 000's)	Classified Total Net Sales (in 000's)	Number of Stores Reporting on PM's	Stores Using PM's						
			Number	Per Cent.	Graphic Per Cent.				
					0	20	40	60	80
Total (Average)	Total (Average)	416	110	26.4					
	Under \$40	58	1	1.7					
	\$40 to \$80	153	30	19.6					
	\$80 to \$180	135	36	26.7					
	\$180 & over	70	43	61.4					
Under 40	Total (Average)	306	61	19.9					
	Under \$40	52	1	1.9					
	\$40 to \$80	134	27	20.1					
	\$80 to \$180	98	23	23.5					
	\$180 & over	22	10	45.5					
40 and over	Total (Average)	110	49	44.5					
	Under \$40	6	-	-					
	\$40 to \$80	19	3	15.8					
	\$80 to \$180	37	13	35.1					
	\$180 & over	48	33	68.8					

The graphic summary in Table 80 helps one to visualize the conditions for each occupation. The per cents in each case, however, should be interpreted in terms of the number of stores reporting. Proportions, by themselves, are deceptive; they should be studied in connection with the bases upon which they are computed.

Some stores pay additional commissions in the form of P.M.'s. Of the 445 stores which reported their practices in this respect, 117, or 26.3 per cent., reported that P.M.'s were paid. P.M.'s are more common in large than in small stores. Indeed, from the data available, they seem scarcely ever to be used in very small stores. For the 110 stores paying P.M.'s, and reporting the amount of their sales for 1919, the distribution of the stores by size is as follows: 0.9 per cent. for the stores with sales under \$40,000; 27.3 per cent. for those with sales from \$40,000 to \$80,000; 32.7 per cent. for those with sales from \$80,000 to \$180,000; and 39.1 per cent. for those with sales of \$180,000 and over. P.M.'s are more commonly used in stores in large cities than in stores in small cities. They are most often used in large stores in large cities.

The data reported by 445 stores show that the use of P.M.'s is not restricted to one geographical division of the United States, but, for the same types of stores, is about equally common in all.

How commonly P.M.'s are found

in stores which answered the inquiry concerning their use, is shown in Table 81.

C.—Sales of Merchandise to Employees.

Favorable treatment accorded to employees in purchases made by them is equivalent to salary concessions. While there is nothing in this report bearing on the adequacy or reasonableness of the salaries paid to any class of employees, it may be of interest, in connection with the topic of methods of paying employees and use of bonuses, briefly to indicate the bases upon which stores sell merchandise to their employees.

The majority of the stores sell merchandise to their employees at cost. About one-fourth of them, however, sell at a specified per cent. above cost, the most common rate being 10 to 15 per cent. Some sell at a discount from selling price, the most common per cent. being 20 to 30. A few use a combination of these methods, the most frequent being cost for sales of clothing and either a discount from selling price or 10 per cent. above cost for other lines of goods. Some stores make a distinction between employees according to their terms of service, selling at cost to those who have been with the firm for a specified period ranging from six months to two years, and at a discount or at a specified per cent. above cost to others. The data upon which these generalizations are based are set out in Tables 82 to 84.

TABLE 82

NUMBER AND PER CENT. OF STORES SELLING MERCHANDISE TO EMPLOYEES
ACCORDING TO SPECIFIED METHODS

Method of Selling Merchandise to Employees	Stores Reporting	
	Number	Per Cent.
Total	422	100.0
At Cost	233	55.2
Above Cost	112	26.5
Discount from Selling Price	51	12.1
Combination of Above Methods	26	6.2

TABLE 83

NUMBER AND PER CENT. OF STORES SELLING MERCHANDISE TO EMPLOYEES
AT SPECIFIED PER CENT. ABOVE COST

Per Cent. above Cost	Stores Selling Merchandise to Employees above Cost	
	Number	Per Cent.
Total	112	100.0
Under 10	7	6.3
10 to 15	89	79.4
15 to 20	7	6.3
20 & over	9	8.0

TABLE 84

NUMBER AND PER CENT. OF STORES SELLING MERCHANDISE TO EMPLOYEES
AT SPECIFIED RATES OF DISCOUNT FROM SELLING PRICE

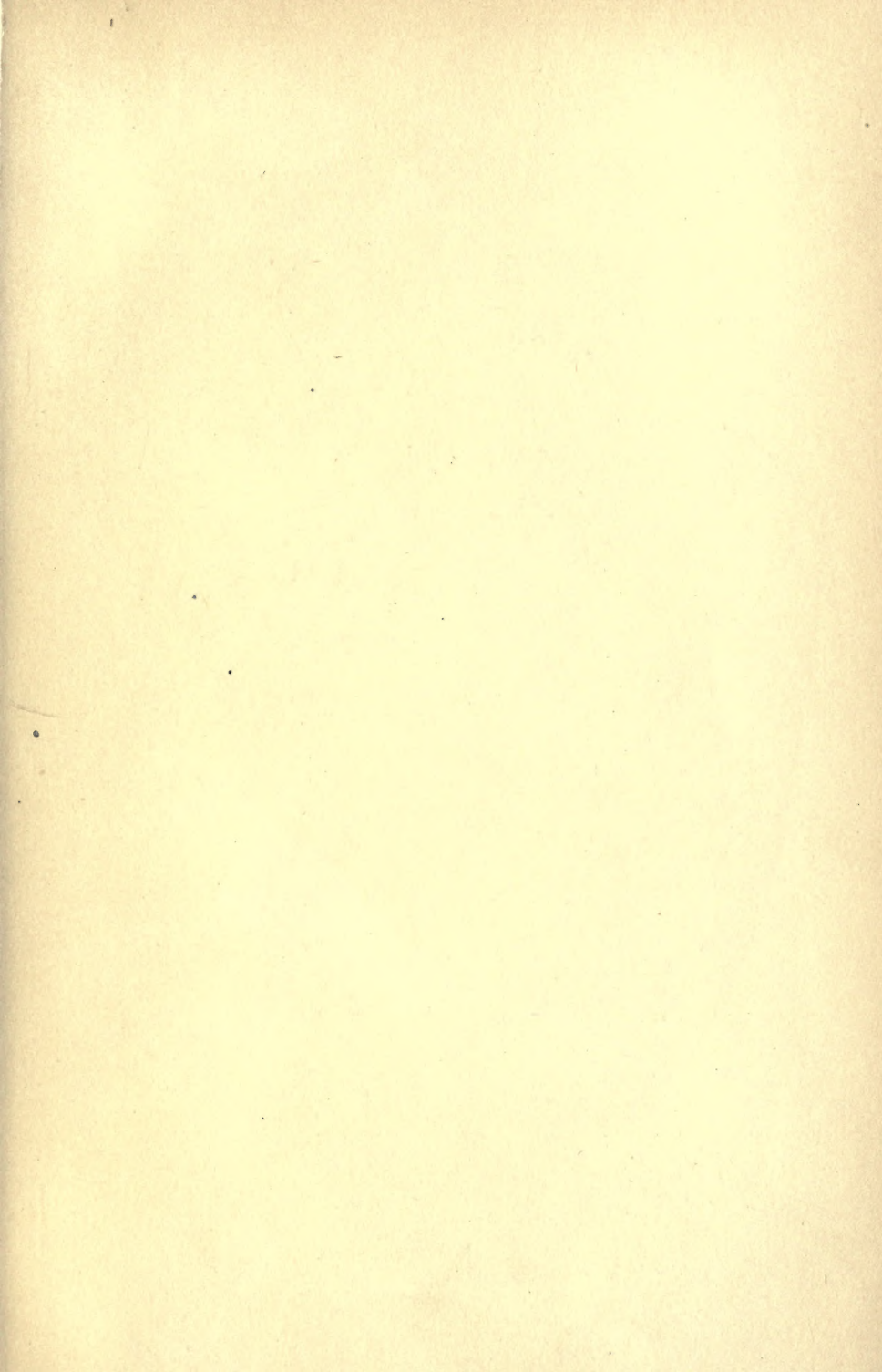
Per Cent. Discount	Stores Selling Merchandise to Employees at Discount	
	Number	Per Cent.
Total	51	100.0
Under 10	1	2.0
10 to 20	13	25.5
20 to 30	35	68.6
30 & over	2	3.9

V. CONCLUSION

Whatever value this study may have, will depend upon the use to which the facts and principles developed and described are put by merchants and others who determine policies and practices in the retail clothing trade. Facts about business are of no avail unless used as a basis for action; and the costs involved in securing them unjustified unless they are presented in a manner so as to be capable of application.

The basis for the facts developed in this study is broad enough to give

them significance. The method by which they are analyzed is in keeping with scientific standards, and the results are expressed in such a form that "He who runs may read." If those who are financially or otherwise interested in the retail distribution of clothing will study this report with care, and be guided by the results set forth, they will not only be able to shape their policies on established facts, but also to be guided by clearly defined principles and practices.



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